



**CHINO BASIN WATER CONSERVATION DISTRICT
REGULAR BOARD MEETING AGENDA**

MONDAY, JANUARY 8, 2024, AT 2:00 P.M.

**BOARD ROOM
4594 SAN BERNARDINO STREET
MONTCLAIR, CA 91763**

OUR MISSION

Protecting and replenishing our regional groundwater supply since 1949.

BOARD OF DIRECTORS

Mark Ligtenberg, President

Kati Parker, Vice President

Gil Aldaco, Treasurer

Teri Layton, Director

Amanda Coker, Director

Hanif Gulmahamad, Director

Ryan Sonnenberg, Director

GENERAL MANAGER

Elizabeth Willis

LEGAL COUNSEL

Lee McElhaney

NOTICES

PUBLIC COMMENTS: Those interested in participating during the Public Comment period or public testimony period for Public Hearings of the Board meetings, may do so in person the day of the meeting, or by contacting the Administrative Services Manager via email at afernandez@cbwcd.org at least two hours prior to the start of the meeting. Speakers will be required to sign in and each person's name will be called in the order received.

AMERICANS WITH DISABILITIES ACT: The Chino Basin Water Conservation District complies with the Americans with Disabilities Act and amendments thereto. If you require special assistance to participate in this meeting or if you desire a copy of the Agenda in an alternate format, please contact the District office at (909) 626-2711 at least 72 hours prior to the advertised starting time of the meeting.

AGENDA MATERIALS: The agenda and/or agenda packet are available for public inspection at District's website at: <https://cbwcd.org/agendas/>

INVOCATION**CALL TO ORDER AND FLAG SALUTE****ROLL CALL****ADDITIONS OR CHANGES TO THE AGENDA**

In accordance with Section 54954.2 of the Government Code (Brown Act), a two-thirds vote (or unanimous vote if less than two-thirds are present), is required to add an item for action, provided that there is a need to take immediate action and that the need for action came to the attention of the agency after the agenda was posted.

PRESENTATIONS

None.

PUBLIC COMMUNICATIONS

This is the time and place for the general public to address the Board of Directors. Due to Brown Act requirements, action will not be taken on any issues not on the Agenda; however, the Board of Directors may refer comments and concerns to staff or request the item be placed on a future agenda. In accordance with District Resolution No. 2020-05: Decorum During Public Meetings, each speaker shall be allotted five (5) minutes of time to address the Board.

CONSENT CALENDAR

At this time, members of the public may present testimony as to why an item should be removed from the Consent Calendar for separate discussion. Unless a member of the public or a Director request that an item be removed from the Consent Calendar, all items will be acted upon as a whole and approved in a single motion and vote. Items removed from the Consent Calendar will be acted upon separately.

1. APPROVE MEETING MINUTES: REGULAR BOARD MEETING OF DECEMBER 11, 2023

Recommendation: It is recommended that the Board of Directors approve said minutes as is.

2. APPROVE AB 1234 DIRECTOR TRAVEL, TRAINING, AND MEETING REPORT

Recommendation: It is recommended that the Board of Directors approve the Director Travel, Training, and Meeting Report, reflecting business-related expenses incurred by the District.

3. APPROVE AB 1234 DIRECTOR COMPENSATION & REIMBURSEMENT REPORT

Recommendation: It is recommended that the Board of Directors approve the Director Compensation and Reimbursement Report.

4. FINANCIAL REPORTS FOR NOVEMBER 2023

Recommendation: It is recommended that the Board of Directors approve the financial reports.

DISCUSSION ITEMS

5. FY 2022-2023 ANNUAL FINACIAL REPORTS

Recommendation: It is recommended that the Board of Directors receive and file the FY 2022-2023 Annual Financial Reports.

DIRECTOR ORAL REPORTS

This is the time and place for the Board of Directors to report on any items of interest. Upon request by an individual Director, the Board may choose to take action on any of the subject matters listed below.

- President Ligtenberg
- Vice President Parker
- Treasurer Aldaco
- Director Layton
- Director Coker
- Director Gulmahamad
- Director Sonnenberg

STAFF ORAL REPORTS

- General Manager/Secretary Report
- Legal Counsel Report

CLOSED SESSION

Legal Counsel shall provide a briefing on the item listed for Closed Session as follows:

6. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Government Code Section 54956.9(d)(1)

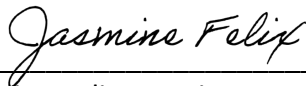
KAISER FOUNDATION HEALTH PLAN, INC., et al. vs. CHINO BASIN WATER CONSERVATION DISTRICT; and DOES 1 through 10, inclusive

San Bernardino Superior Court Case No.: CIVDS 1933655

ADJOURNMENT

The Board of Directors will adjourn to the next **Regular Board Meeting of the Chino Basin Water Conservation District on Monday, February 12, 2024, at 2:00 p.m.**

I, Jasmine Felix, Interim Board Clerk of the Chino Basin Water Conservation District, do hereby certify that a copy of this agenda has been posted on or before **Friday, January 5, 2023, by 2:00 p.m.**



Jasmine Felix, Interim Board Clerk



ITEM NO. 1

APPROVE MEETING MINUTES: REGULAR BOARD MEETING OF DECEMBER 11, 2023



**CHINO BASIN WATER CONSERVATION DISTRICT
REGULAR BOARD MEETING MINUTES**

MONDAY, DECEMBER 11, 2023, AT 2:00 P.M.

**BOARD ROOM
4594 SAN BERNARDINO STREET
MONTCLAIR, CA 91763**

BOARD OF DIRECTORS

Mark Ligtenberg, President

Kati Parker, Vice President

Gil Aldaco, Treasurer

Teri Layton, Director

Amanda Coker, Director

Hanif Gulmahamad, Director

Ryan Sonnenberg, Director

GENERAL MANAGER

Elizabeth Willis

LEGAL COUNSEL

Lee McElhaney

INVOCATION – *President Gulmahamad led the Board in the invocation.*

CALL TO ORDER AND FLAG SALUTE – *President Ligtenberg called the meeting to order at 2:04 p.m. and led the audience in the flag salute.*

ROLL CALL – *Board Members present were President Mark Ligtenberg, Vice President Kati Parker, Treasurer Gil Aldaco, Directors Teri Layton, Amanda Coker, Hanif Gulmahamad and Ryan Sonnenberg.*

General Counsel Leland McElhaney, Esq. joined via Teams call, General Manager Elizabeth Willis, Administrative Services Manager Alicia Fernandez, Facilities Maintenance Manager Dave Schroeder, Community Programs Manager Maia Dean, Interim Board Clerk Jasmine Felix, and Robert Wagner, President of Wagner & Bonsignore were present. David Lounsbury, P.E., with Wagner and Bonsignore, was also present via Teams call.

ADDITIONS OR CHANGES TO THE AGENDA

In accordance with Section 54954.2 of the Government Code (Brown Act), a two-thirds vote (or unanimous vote if less than two-thirds are present), is required to add an item for action, provided that there is a need to take immediate action and that the need for action came to the attention of the agency after the agenda was posted.

General Manager Elizabeth Willis confirmed there were no additions to the agenda but noted there was an amendment to the staff report for Item No. 4.

PRESENTATIONS**1. CHINO BASIN WATER CONSERVATION DISTRICT TIME CAPSULE EVENT**

The presentation was received and filed.

PUBLIC COMMUNICATIONS

This is the time and place for the general public to address the Board of Directors. Due to Brown Act requirements, action will not be taken on any issues not on the Agenda; however, the Board of Directors may refer comments and concerns to staff or request the item be placed on a future agenda. In accordance with District Resolution No. 2020-05: Decorum During Public Meetings, each speaker shall be allotted five (5) minutes of time to address the Board.

President Ligtenberg opened the Public Comment period. The Interim Board Clerk stated no public communication was received.

CONSENT CALENDAR

At this time, members of the public may present testimony as to why an item should be removed from the Consent Calendar for separate discussion. Unless a member of the public or a Director request that an item be removed from the Consent Calendar, all items will be acted upon as a whole and approved in a single motion and vote. Items removed from the Consent Calendar will be acted upon separately.

Director Coker made a motion to approve the consent calendar with the amended item no. 4, seconded by Director Parker; the motion was approved unanimously.

2. APPROVE MEETING MINUTES: REGULAR BOARD MEETING OF NOVEMBER 13, 2023

Recommendation: It is recommended that the Board of Directors approve said minutes as is.

Approved unanimously.

3. APPROVE AB 1234 DIRECTOR TRAVEL, TRAINING, AND MEETING REPORT

Recommendation: It is recommended that the Board of Directors approve the Director Travel, Training, and Meeting Report, reflecting business-related expenses incurred by the District.

Approved unanimously.

4. APPROVE AB 1234 DIRECTOR COMPENSATION & REIMBURSEMENT REPORT

Recommendation: It is recommended that the Board of Directors approve the Director Compensation and Reimbursement Report.

Approved unanimously.

5. FINANCIAL REPORTS FOR OCTOBER 2023

Recommendation: It is recommended that the Board of Directors approve the financial reports.

Approved unanimously.

6. APPROVE FISCAL YEAR 23-24 1ST QUARTER (Q1) FINANCIAL REPORT

Recommendation: It is recommended that the Board of Directors approve the FY 23-24 Q1 Financial Report.

Approved unanimously.

DISCUSSION ITEMS**7. BRIEFING ON THE PROPOSED 2018 CONFLUENCE REGIONAL WATER RESOURCE PROJECT**

Recommendation: It is recommended that the Board of Directors receive and file the briefing on the proposed 2018 Confluence Regional Water Resource Project and provide feedback to staff.

General Manager Willis introduced Robert Wagner, President of Wagner & Bonsignore, to provide a Confluence Project Evolution & Summary presentation to the Board and was available for questions.

Director Coker asked a clarifying question as to the amount of water and where it was being pumped to. Mr. Wagner stated that at the time of the evaluation the purpose was to determine the estimated gross amount of water and not the net amount of water that the Montclair Basin would receive. Director Parker and Coker inquired why the Montclair Basin was preferred basin in lieu of the Brooks Basin. Mr. Wagner responded that the Montclair Basin has plenty of unused capacity that could facilitate any amount of water being pumped and the cost per unit would be more if it were pumped to Brooks Basin. Director Gulmahamad requested that Mr. Wagner provide an updated cost based on the current inflation. Mr. Wagner provided an estimated linear increase of 30%. Ms. Willis iterated that the purpose of the briefing is for informational purposes and not to move forward with any decisions at this time. Director Gulmahamad asked if the Realtor John Vandyke could provide a current worth for the subject property. Ms. Willis replied she had previously spoken with Mr. Vandyke and generally land is currently selling for \$1 Million dollars an acre. Director Layton asked about the size of the property and Ms. Willis noted it is about 12-16 acres and that it is not suitable for residential infrastructure. Facilities Maintenance Manager Dave Schroeder confirmed it is slightly larger than 16

acres and provided a brief description of the property. Director Layton requested a site visit and Ms. Willis confirmed that that could be arranged. Director Parker and Coker proposed a couple of alternative solutions that involved other water agencies. Mr. Wagner assured the Board that alternatives were considered and described some of those alternatives but were not cost effective. Mr. Shroeder provided an anecdote of another alternative that was considered in the early 2000's by the Cucamonga Basins. Director Coker emphasized that involving other water agencies would aid in funding and cost sharing. Director Parker highlighted that there were political and cost factors that prevented this project from being successful. Director Ligtenberg posed a question on issues of permeability. Mr. Wagner responded that permeability varies within the basin.

General Manager Willis reiterated that in March 2021 the Board chose to keep the land but not to move forward with the project. Director Gulmahamad asked Mr. Wagner if any of his views changed from the time of inception to now based on his current knowledge and research. Mr. Wagner corroborated that it was apparent from the beginning, that it was not an ideal site for the project. Director Layton asked if community pushback was considered at the time of research. Mr. Wagner confirmed that it was.

The presentation was received and filed.

8. AWARD CONTRACT TO EVERFENCE CORPORATION FOR THE BROOKS BASIN FENCING PROJECT, PHASE 1 (CIP NO. 2023-1)

Recommendation: It is recommended that the Board of Directors 1) review, discuss and consider the results of the Brooks Basin Fencing Project, Phase 1 bidding process; 2) award the bid to EverFence Corporation; 3) approve a budget modification to appropriate \$298,710.00 to Account No. 58000: Capital Projects.

General Manager Willis presented the staff report to the Board.

A motion was made by Director Parker and seconded by Director Layton. Director Ligtenberg acknowledged the motion and opened for discussion.

Director Gulmahamad requested Mr. Schroeder feedback on the proposed winning bidder. Mr. Schroeder restated the bidding process that warranted objectivity.

Director Aldaco questioned if references were requested during the bidding process. Administrative Services Manager Alicia Fernandez informed Director Aldaco that references were not required at the time of bidding but would submit a request to EverFence Corporation.

Director Aldaco inquired about site security during the demolition of the fence that is to be replaced. Ms. Fernandez directed the Board to consult Mr. Schroeder for clarification. Director Layton asked what the project timeline was and if a contingency clause was instituted. Ms. Willis mentioned that the bid specifications did not include security.

However, Mr. Shroeder stated that during the mandatory job walk potentials bidders asked if they could leave the original fence while installing the new fence, and assured the Board that the site will not be left unsecured. Director Aldaco posed a clarifying question about the installation. Mr. Schroeder explained that the fence will be replaced in sections so that no section is left open to trespassers.

Director Gulmahamad asked how the District was going to ensure that specified materials in the bid are going to be installed. Mr. Shroeder commented that he was going to be the point of contact to ensure specified materials are received and installed. Ms. Willis emphasized that the materials were specified in the engineer's bid specifications.

Director Coker emphasized the importance of including a contingency plan in the contract for security purposes. Director Parker agreed and proposed amending the motion to include a 10% contingency plan; Director Layton seconded.

Director Ligtenberg restated Director Parker's proposal to include the amended motion for an addition of a 10% contingency; the motion was approved unanimously.

9. ADOPT RESOLUTION NO. 2023-09 APPROVING THE PROPOSED FACILITY USE POLICY AND USER FEES

Recommendation: It is recommended that the Board of Directors adopt Resolution No. 2023-09 approving the proposed Facility Use Policy in its entirety, which includes a proposed fee schedule for the use of the Waterwise Community Center property.

General Manager Willis presented the staff report to the Board.

Director Coker asked about fee waivers. Ms. Willis provided fee clarification. Director Parker recalled a caveat on fee implementation within the policy.

Director Parker made the motion to approve the staff's recommendation on the Facility Use Policy, Director Coker seconded the motion.

Director Gulmahamad asked if General Counsel Leland McElhaney, Esq. had the opportunity to review the policy and if the policy allowed the General Manager the authority to waive fees on a case-to-case basis. Ms. Willis, Administrative Services Manager Fernandez, and Mr. McElhaney affirmed that he did review the documents and provided feedback. After the revisions were made per his direction, he deemed the documents to be in order. Ms. Willis also confirmed that she may waive fees if deemed appropriate.

Director Aldaco provided commentary on various sections of the policy. Ms. Willis responded by providing the history of how the policy was created and referring to specific events used to framework the policy.

Director Layton requested clarification on security requirements. Ms. Willis replied that it will be determined on a case-by-case basis.

In response to Director Aldaco's feedback, Director Coker reflected that the policy is a work in progress. Directors Ligtenberg and Layton supported the idea that the policy should be viewed as a living document that will be subject to change.

Director Layton excused herself from the meeting at 3:44 p.m.

Ms. Fernandez added that the policy states the policy may be updated with the approval of Legal Counsel.

Director Parker reinstated her motion with non-substitutable language and authorizing the General Manager to make the appropriate revisions with legal review. The motion was seconded by Director Coker and approved unanimously.

DIRECTOR ORAL REPORTS

This is the time and place for the Board of Directors to report on any items of interest. Upon request by an individual Director, the Board may choose to take action on any of the subject matters listed below.

- President Ligtenberg – *None.*
- Vice President Parker – *Attended meetings as itemized in Item 5 – AB 1234 of the Agenda. She commended staff on the Waterwise Loteria Gallery event.*
- Treasurer Aldaco - *Attended meetings as itemized in Item 5 – AB 1234 of the Agenda.*
- Director Layton – *Attended meetings as itemized in Item 5 – AB 1234 of the Agenda.*
- Director Coker - *Attended meetings as itemized in Item 5 – AB 1234 of the Agenda.*
- Director Gulmahamad – *Attended meetings as itemized in Item 5 – AB 1234 of the Agenda.*
- Director Sonnenberg - *Attended meetings as itemized in Item 5 – AB 1234 of the Agenda.*

STAFF ORAL REPORTS

- General Manager/Secretary Report – *General Manager Willis thanked the Community Programs team, specifically Monica Curiel, for the Waterwise Loteria Gallery event. She encouraged the Board to view the newly completed mural in the lobby. She also attended the Association of California Water Agencies conference.*
- Legal Counsel Report – *None.*

CLOSED SESSION

President Ligtenberg recessed the meeting into Closed Session at 4:00 p.m. to consider the following closed session item:

10. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Government Code Section 54956.9(d)(1)

KAISER FOUNDATION HEALTH PLAN, INC., et al. vs. CHINO BASIN WATER CONSERVATION DISTRICT; and DOES 1 through 10, inclusive

San Bernardino Superior Court Case No.: CIVDS 1933655

President Ligtenberg reconvened the meeting at 4:31 p.m. and asked General Manager Willis to report on the closed session. Ms. Willis affirmed there was nothing to report.

ADJOURNMENT

President Ligtenberg adjourned the meeting at 4:32 p.m. to the next Regular Board Meeting of the Chino Basin Water Conservation District to be held on **Monday, January 8, 2023**, at 2:00 p.m. at District Headquarters, located at 4594 San Bernardino Street, Montclair, CA 91763.

APPROVED AND ADOPTED THIS 8TH DAY OF JANUARY 2024.

Elizabeth Willis, General Manager

ATTEST:

Jasmine Felix, Interim Board Clerk



**STAFF REPORT
BOARD OF DIRECTORS REGULAR MEETING**

DATE: January 8, 2024

FROM: Elizabeth Willis, General Manager

BY: Alicia Fernandez, Administrative Services Manager

SUBJECT: **AB 1234 – DIRECTOR TRAVEL, TRAINING, AND MEETING REPORT**

RECOMMENDATION

It is recommended that the Board of Directors receive and file Director Travel, Training, and Meeting Report, reflecting business-related expenses incurred by the District.

BACKGROUND

In accordance with Assembly Bill 1234 (AB 1234), effective January 1, 2006, members of the Board of Directors are required to provide a brief report on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.

DISCUSSION/ANALYSIS

In response to AB 1234, a Board of Director Travel, Training, and Meeting Report has been created and is placed on the Board Agenda Consent Calendar monthly. It provides the required brief report on meetings that Board members attended in December 2023.

DATE	EVENT	BOARD MEMBER
12/11/23	CBWCD Regular Board Meeting	President Ligtenberg, Vice President Parker Treasurer Aldaco Directors Coker, Layton, Gulmahamad, and Sonnenberg

FISCAL IMPACT

None. Anticipated Director attendance and associated expenses are included in the Fiscal Year Budget.

ATTACHMENT(S):

None



**STAFF REPORT
BOARD OF DIRECTORS REGULAR MEETING**

DATE: January 8, 2024

FROM: Elizabeth Willis, General Manager

BY: Alicia Fernandez, Administrative Services Manager

SUBJECT: **AB 1234 – DIRECTOR COMPENSATION AND REIMBURSEMENT REPORT**

RECOMMENDATION

It is recommended that the Board of Directors approve the Compensation and Reimbursement Report.

BACKGROUND

Per Policy 47, dated November 9, 2020, "Board Member Compensation, Reimbursement, and Ethics Training", Exhibit A, Category C reflects the following:

CATEGORY C – Meetings at Partner Organizations

At the beginning of each Fiscal Year, Board Members will vote on assignments for attendance at meetings of each organization listed below to ensure broad, diverse, and consistent District representation at such events. A primary and alternate will be chosen. If the primary and alternate members designated are both unable to attend, another member may be later designated for this purpose. At events considered to be of particular importance, multiple directors may be authorized to attend. Compensation and reimbursement for attendance at Category C meetings may be approved post-attendance on the Board's consent calendar.

- a. Association of California Water Agencies (ACWA)
- b. Association of San Bernardino County Special Districts (ASBCSD)
- c. California Groundwater Coalition (CGD)
- d. California Special Districts Association (CSDA)
- e. Cal Trust
- f. Chino Basin Watermaster
- g. Cucamonga Valley Water District (CVWD)
- h. Groundwater Recharge Coordinating Committee (GRCC)
- i. Inland Empire Utilities Agency (IEUA)
- j. Joint Powers Authority (JPIA)
- k. LAIF

BOARD OF DIRECTORS REGULAR MEETING: JANUARY 8, 2024**Page 2 of 2**

- l. Local Agency Formation Commission (LAFCO)
- m. Metropolitan Water District (MWD)
- n. Monte Vista Water District
- o. Southern California Water Committee (SCWC)
- p. Southern California Storm Water Taskforce
- q. Southern California Recycled Water Taskforce
- r. Urban Water Institute (UWI)
- s. Water Education Foundation (WEF)

Please refer to Policy No. 47 for further information.

DISCUSSION/ANALYSIS

Below is a list of events attended by specified Board Members:

DATE	EVENT	BOARD MEMBER
12/2/23	Chino District Holiday Open House & Toy Drive	Directors Aldaco & Gulmahamad
12/5/23	Chino Regular Council Meeting, Announcement of Time Capsule Event	Director Aldaco
12/5/23	Ontario Regular Council Meeting, Announcement of Time Capsule Event	Director Coker
12/7/23	Supervisor Curt Hagman's Christmas VIP Party	Directors Aldaco, Coker, Gulmahamad
12/11/23	Upland Regular Council Meeting, Announcement of Time Capsule Event	Vice President Parker
12/12/23	County Supervisor Jesse Armendarez Jingle & Mingle Event	Vice President Parker
12/13/23	Monte Vista Water District Board Meeting, Announcement of Time Capsule Event	Vice President Parker
12/15/23	Gardens in Every School Dedication	Vice President Parker

FISCAL IMPACT

None. Anticipated Director attendance and associated expenses are included in the Fiscal Year 2023-2024 budget.

ATTACHMENT(S):

None



ITEM NO. 4

FINANCIAL REPORTS FOR NOVEMBER 2023

CHINO BASIN WATER CONSERVATION DISTRICT

FINANCIAL REPORTS

November 2023

- 1. Income & Expense Report**
- 2. Balance Sheet**
- 3. General Checking & Petty Cash Checking**
- 4. Credit Expense Checks Breakdown (Cal Card)**
- 5. Payroll Reports**
- 6. Expense Reimbursement Reports**

Chino Basin Water Conservation District Income & Expense Report

July through November 2023

	Jul - Nov 23	Budget	% of Budget
Income			
46000 · Gain/Loss - Pension Trust	-2,538.00		
40000 · Property Tax & Assessment Rev			
40100 · Current Yr Tax Revenue	477,099.84	2,651,600.00	18.0%
40200 · Current Yr Supplemental Tax Rev	8,189.61	74,300.00	11.0%
40300 · Prior Yr Tax Revenue	44,910.02	58,000.00	77.4%
40400 · Homeowner's Prop Tax Relief	0.00	19,500.00	0.0%
40500 · RDA Pass-Thru from Cities	20.76	1,267,100.00	0.0%
Total 40000 · Property Tax & Assessment Rev	530,220.23	4,070,500.00	13.0%
41000 · Interest Income	94,847.65	167,600.00	56.6%
42000 · Contributions/Sponsorships	4,500.00	4,000.00	112.5%
44000 · Grant Income			
44200 · Non-Govt Grant Income	640.00		
Total 44000 · Grant Income	640.00		
45000 · Capital Gain/Loss			
45100 · CalTRUST Investment Earnings	48,819.10	54,100.00	90.2%
45110 · CalTRUST unrealized gain/loss	7,289.22		
Total 45000 · Capital Gain/Loss	56,108.32	54,100.00	103.7%
49000 · Miscellaneous Income			
49100 · Agreement Income	639.00	17,500.00	3.7%
49200 · Cal Card Incentive	1,437.57	2,000.00	71.9%
49500 · Lease Revenue	5,000.00	12,000.00	41.7%
49900 · Misc Income	1,815.00		
49000 · Miscellaneous Income - Other	1.00		
Total 49000 · Miscellaneous Income	8,892.57	31,500.00	28.2%
Total Income	692,670.77	4,327,700.00	16.0%
Gross Profit	692,670.77	4,327,700.00	16.0%
Expense			
50000 · Payroll Expenses			
50100 · Wages			
50110 · Directors Wages	18,975.00	56,000.00	33.9%
50120 · Salary Employee Wages	263,625.18	645,300.00	40.9%
50130 · Hourly Employee Wages	313,110.28	833,100.00	37.6%
50140 · Intern Wages	23,992.55	72,000.00	33.3%
Total 50100 · Wages	619,703.01	1,606,400.00	38.6%
50200 · Payroll taxes	47,374.66	125,900.00	37.6%
50300 · Employee Benefits			
50310 · Med/Dent/Vision/Life/Dis. Ins	118,152.15	261,900.00	45.1%
50311 · Employee Paid Premiums	-2,261.40	-4,900.00	46.2%
50312 · Emp Benefits - Healthy Living	335.44		
50313 · EAP - Employee Assist. Program	0.00	600.00	0.0%
50321 · Classic - ER Paid Member Contr.	5,412.16	13,200.00	41.0%
50322 · Classic-Employer Contribution	8,278.03	20,100.00	41.2%
50325 · PEPRRA-Employer Contribution	36,374.74	96,800.00	37.6%
50326 · CalPERS Pension Reserve Trust	0.00	100,000.00	0.0%
50328 · Unfunded PERS payment	41,286.00	48,900.00	84.4%
Total 50300 · Employee Benefits	207,577.12	536,600.00	38.7%
50400 · Payroll processing fees	950.00	14,100.00	6.7%
Total 50000 · Payroll Expenses	875,604.79	2,283,000.00	38.4%
51000 · Administration Expenses			
51100 · Accounting Fees	31,217.20	80,000.00	39.0%
51125 · Administrative Support	3,855.30		
51150 · Banking Fees	75.00	400.00	18.8%
51200 · Board of Director's Expenses			
51210 · Conference & Tour Fees	3,280.00	12,000.00	27.3%
51230 · Legal Notices/Director Related	0.00	2,000.00	0.0%
51240 · Meals	1,251.91	1,500.00	83.5%
51250 · Medical & Life Insurance	3,630.34	21,600.00	16.8%
51260 · Mileage	1,069.40	2,500.00	42.8%
51270 · Miscellaneous	1,405.22	12,500.00	11.2%
51280 · Travel & Lodging	4,159.06	2,000.00	208.0%
Total 51200 · Board of Director's Expenses	14,795.93	54,100.00	27.3%
51300 · Consulting Fees	25,892.88	131,000.00	19.8%
51400 · Dues & Subscriptions	12,538.58	45,200.00	27.7%
51500 · Engineering Fees	16,334.70	10,000.00	163.3%
51600 · Legal Fees	44,166.00	50,000.00	88.3%
51700 · Office Expenses			
51710 · Office Equipment & Repairs	3,896.09	10,200.00	38.2%
51720 · Computer/Printer Supplies	508.12	2,500.00	20.3%
51730 · Maintenance/Janitorial	5,757.25	17,300.00	33.3%
51740 · Miscellaneous	216.84	1,000.00	21.7%
51750 · Postage	249.48	1,300.00	19.2%
51760 · Supplies	3,813.65	7,100.00	53.7%
51765 · Computer/IT Support	29,812.41	43,700.00	68.2%

Chino Basin Water Conservation District Income & Expense Report

July through November 2023

	Jul - Nov 23	Budget	% of Budget	
51770 · Telecommunications	7,157.80	19,500.00	36.7%	
51780 · Utilities	15,369.45	39,500.00	38.9%	
51785 · Agenda Management Software	0.00	12,000.00	0.0%	
Total 51700 · Office Expenses	66,781.09	154,100.00	43.3%	
51800 · Meeting Refreshments	916.69	3,000.00	30.6%	
51900 · Staff Expenses				
51910 · Education	5,947.46	11,000.00	54.1%	
51920 · Conference & Tour Fees	1,595.00	10,700.00	14.9%	
51930 · Meals	774.50	6,600.00	11.7%	
51940 · Mileage	1,228.03	4,300.00	28.6%	
51950 · Miscellaneous	2,320.42	4,000.00	58.0%	
51955 · Recruitment	1,407.27	5,000.00	28.1%	
51960 · Travel & Lodging	2,107.72	11,500.00	18.3%	
51970 · Uniform Expense	3,268.84	10,700.00	30.5%	
Total 51900 · Staff Expenses	18,649.24	63,800.00	29.2%	
51990 · Tax Collections Fees	1,224.71	8,200.00	14.9%	
Total 51000 · Administration Expenses	236,447.32	599,800.00	39.4%	
51999 · Non-Operating General Expenses				
51999-1 · Facilities	355.88	10,000.00	3.6%	
51999-2 · Furniture & Equipment	14,978.79	28,000.00	53.5%	
Total 51999 · Non-Operating General Expenses	15,334.67	38,000.00	40.4%	
53000 · Insurance Expenses				
53100 · Bonding	1,225.00	1,000.00	122.5%	
53200 · General Liability	17,129.85	46,400.00	36.9%	
53300 · Property	2,540.13	9,600.00	26.5%	
53400 · Workers' Comp	9,418.38	36,000.00	26.2%	
Total 53000 · Insurance Expenses	30,313.36	93,000.00	32.6%	
54000 · Operation Expenses				
54150 · Equipment & Vehicles				
54160 · Equipment	666.99	3,000.00	22.2%	
54170 · Fuel	3,578.74	13,200.00	27.1%	
54180 · Repairs, Maint & Supplies	5,338.05	17,000.00	31.4%	
Total 54150 · Equipment & Vehicles	9,583.78	33,200.00	28.9%	
54200 · Fence Expenses	4,998.49	42,000.00	11.9%	
54250 · Hardscape Expenses	0.00	9,200.00	0.0%	
54300 · Irrigation Expenses	5,506.60	16,100.00	34.2%	
54350 · Landscape Maint & Supplies	7,480.62	53,000.00	14.1%	
54400 · Miscellaneous	418.59	1,500.00	27.9%	
54450 · Basin Percolation Maintenance	0.00	101,000.00	0.0%	
54500 · Pest Control	5,130.55	11,000.00	46.6%	
54550 · Signage	1,530.38	4,500.00	34.0%	
54600 · Small Tools & Supplies	3,998.84	6,000.00	66.6%	
54650 · Structural Maintenance	41,481.05	42,000.00	98.8%	
54750 · Trash Cleanup & Disposal	3,018.58	15,000.00	20.1%	
54800 · Utilities	1,455.12	12,000.00	12.1%	
54850 · Weed Abatement	1,017.19	20,200.00	5.0%	
Total 54000 · Operation Expenses	85,619.79	366,700.00	23.3%	
55000 · Permits & Fees	0.00	500.00	0.0%	
56000 · Public Education/Relations				
56100 · Advertising & Strategic Comm.	19,891.22	63,300.00	31.4%	
56200 · Critter Expenses	727.05	7,000.00	10.4%	
56300 · District Events				
56330 · Outreach Events	6,592.24	30,000.00	22.0%	
56340 · Water Fair	14,957.24	15,000.00	99.7%	
56350 · Poster Art Contest	45.00	14,000.00	0.3%	
56360 · Youth Program Supplies	1,070.51	1,500.00	71.4%	
56370 · School Tours	434.10	40,000.00	1.1%	
56380 · Public Ed/Workshops	1,356.49	20,000.00	6.8%	
Total 56300 · District Events	24,455.58	120,500.00	20.3%	
56400 · Community Events/Sponsorships				
56500 · Informational Materials	3,292.33	3,000.00	109.7%	
56700 · Web Design/Maintenance	1,346.73	29,000.00	4.6%	
56400 · Community Events/Sponsorships - Other	2,500.00	2,500.00	100.0%	
Total 56400 · Community Events/Sponsorships	7,139.06	34,500.00	20.7%	
56600 · Supplies - Give Aways	4,549.98	10,000.00	45.5%	
56750 · Lobby Display Rotation - noncap	2,091.12			
Total 56000 · Public Education/Relations	58,854.01	235,300.00	25.0%	
57500 · Expense Reimbursables Clearing	2,668.57			
58000 · Capital Expenses				
58002 · Basin Expenses	6,720.20			
58003 · Lobby Displays	7,119.12			
58000 · Capital Expenses - Other	16,453.28	541,200.00	3.0%	

Chino Basin Water Conservation District
Income & Expense Report

July through November 2023

	Jul - Nov 23	Budget	% of Budget
Total 58000 - Capital Expenses	30,292.60	541,200.00	5.6%
Total Expense	1,335,135.11	4,157,500.00	32.1%
Net Income	-642,464.34	170,200.00	-377.5%

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Accrual Basis

Chino Basin Water Conservation District

Balance Sheet

As of November 30, 2023

	Nov 30, 23
ASSETS	
Current Assets	
Checking/Savings	
10000 · Cash Accounts	
10100 · General Checking	423,084.77
10200 · Petty Cash	1,001.21
10300 · LAIF Investment	9,957,135.62
10310 · LAIF FMV	-163,571.38
10400 · CalTrust	2,453,292.52
10600 · Pension Trust	71,091.00
Total 10000 · Cash Accounts	12,742,033.74
Total Checking/Savings	12,742,033.74
Accounts Receivable	
11000 · Accounts Receivable	500.00
Total Accounts Receivable	500.00
Other Current Assets	
14000 · Prepaid Expenses	
14200 · Miscellaneous	87,333.66
Total 14000 · Prepaid Expenses	87,333.66
14600 · Deferred Outflows - DOR	
14601 · DOR - Pension Contributions	1,255,746.00
14602 · DOR - Pension Related	515,202.00
Total 14600 · Deferred Outflows - DOR	1,770,948.00
14999 · Undeposited Funds	904.50
Total Other Current Assets	1,859,186.16
Total Current Assets	14,601,719.90
Fixed Assets	
12000 · Construction in Process	16,708.09
15000 · Buildings & Fixtures - Net Val	
15100 · Buildings and Fixtures	10,561,571.85
15200 · A/D - Buildings & Fixtures	-2,767,323.67
Total 15000 · Buildings & Fixtures - Net Val	7,794,248.18
16000 · Land Assets	
16000-1 · Land	1,486,121.26
16000-3 · Land - Confluence Project	4,500,000.00
Total 16000 · Land Assets	5,986,121.26
17000 · Office Furn. & Equip. - Net Val	
17100 · Office Furniture & Equipment	158,242.46
17200 · A/D - Office Furniture & Equipm	-52,546.02
Total 17000 · Office Furn. & Equip. - Net Val	105,696.44
18000 · Vehicles & Implements - Net Val	
18100 · Vehicles and Implements	214,767.87
18200 · A/D - Vehicles & Implements	-127,381.91
Total 18000 · Vehicles & Implements - Net Val	87,385.96
19000 · Garden & Hardscape - Net Val	
19100 · Garden & Hardscape	1,546,393.75
19200 · A/D - Garden & Hardscape	-1,241,257.22
Total 19000 · Garden & Hardscape - Net Val	305,136.53

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Accrual Basis

Chino Basin Water Conservation District

Balance Sheet

As of November 30, 2023

	Nov 30, 23
Total Fixed Assets	14,295,296.46
Other Assets	
13500 · Right to Use Assets	
13511 · Lease of Equipment	29,136.17
13512 · Accum. Amortization - Equipment	-3,035.00
Total 13500 · Right to Use Assets	26,101.17
Total Other Assets	26,101.17
TOTAL ASSETS	28,923,117.53
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · General Accounts Payable	60,628.94
Total Accounts Payable	60,628.94
Credit Cards	
20600 · CalCard	
20605 · CalCard - David Schroeder	9.68
20610 · CalCard - J Taylor	684.37
20613 · CalCard - R Sotomayor	121.26
20619 · CalCard - B Burgess	-29.42
20626 · CalCard - M Curiel	28.32
20630 · CalCard - M Dean	2,677.72
20631 · CalCard - W Mercado	22.48
20632 · CalCard - E Skrzat	5,631.01
20634 · CalCard - D Moreno	171.88
20642 · CalCard - D Schroeder	-9.67
20645 · CalCard- J Jones	29.95
20647 · CalCard- A Quinones	208.00
Total 20600 · CalCard	9,545.58
Total Credit Cards	9,545.58
Other Current Liabilities	
21000 · Payroll Liabilities	
21500 · Accrued Employee Benefits	
21510 · Vacation Payable	67,774.14
Total 21500 · Accrued Employee Benefits	67,774.14
21600 · Accrued Wages	62,525.47
Total 21000 · Payroll Liabilities	130,299.61
22000 · Customer Deposits	
22100 · Rental Property - Rent Deposit	1,400.00
Total 22000 · Customer Deposits	1,400.00
Total Other Current Liabilities	131,699.61
Total Current Liabilities	201,874.13
Long Term Liabilities	
23500 · Lease Liabilities	
23510 · Lease Liability - Equipment(ST)	6,894.80
23511 · Lease Liability - Equipment(LT)	18,797.91
Total 23500 · Lease Liabilities	25,692.71
29000 · Deferred Inflows- DIR	
29002 · DIR - Pension Related	1,059,359.00

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Accrual Basis

Chino Basin Water Conservation District

Balance Sheet

As of November 30, 2023

	Nov 30, 23
Total 29000 · Deferred Inflows- DIR	1,059,359.00
29001 · Net Pension Liability	1,213,543.00
Total Long Term Liabilities	2,298,594.71
Total Liabilities	2,500,468.84
Equity	
30001 · Non-Spendable Net Position	
30003 · Prepaids & Inventory	50,249.51
30090 · Investment in Capital Assets	14,295,296.92
Total 30001 · Non-Spendable Net Position	14,345,546.43
30020 · Assigned Net Position	
30012 · Major Structural Failures Resrv	2,350,000.00
30022 · Recharge Improvements Reserve	2,350,000.00
30023 · Pension Liability Reserve	1,213,543.00
30025 · Compensated Absences Reserve	67,774.14
Total 30020 · Assigned Net Position	5,981,317.14
30026 · Operating Reserves	1,808,150.00
30027 · District Facilities Reserve	300,000.00
31000 · Unassigned Net Position	4,630,099.46
Net Income	-642,464.34
Total Equity	26,422,648.69
TOTAL LIABILITIES & EQUITY	28,923,117.53

Chino Basin Water Conservation District
Monthly General Checking Disbursements
As of November 30, 2023

Type	Date	Num	Name	Memo	Amount
10000 · Cash Accounts					
10100 · General Checking					
Bill Pmt -Check	11/03/2023	21057	ACWA JPIA	Workers Comp Q1: 7/1/23-9/30/23	-9,418.38
Bill Pmt -Check	11/03/2023	21058	Animal Pest Management Services, Inc.	ground squirrel control @ basins	-935.00
Bill Pmt -Check	11/03/2023	21059	Cintas Corporation #150		-196.82
Bill Pmt -Check	11/03/2023	21060	Climatec LLC	Quarterly HVAC maintenance	-1,815.00
Bill Pmt -Check	11/03/2023	21061	Computer Village		-2,238.10
Bill Pmt -Check	11/03/2023	21062	CV Strategies	Consulting Svcs-Oct.	-2,755.00
Bill Pmt -Check	11/03/2023	21063	Eide Bailly LLP	215752	-2,050.00
Bill Pmt -Check	11/03/2023	21064	Erin L. Hughes	Staff Group & employee headshots photo sess...	-3,100.00
Bill Pmt -Check	11/03/2023	21065	Ford Printing and Mailing	Loteria Deck Printing	-4,812.19
Bill Pmt -Check	11/03/2023	21066	Frontier	909-293-7578-071118-5	-473.79
Bill Pmt -Check	11/03/2023	21067	O.F. Wolfenbarger, Inc.	DG for GIES: Our Loving Savior	-245.67
Bill Pmt -Check	11/03/2023	21068	Occupational Health Ctr of Ca	Pre-employment physical-KL	-155.50
Bill Pmt -Check	11/03/2023	21069	Omone Abu	Nov. social media services	-500.00
Bill Pmt -Check	11/03/2023	21070	Robert A. Carter	replace handle on office door with keypad one	-992.81
Bill Pmt -Check	11/03/2023	21071	Standard Insurance Company, Inc.	Policy #006492990083/STD/LTD from Oct pay...	-716.48
Bill Pmt -Check	11/03/2023	21072	V.C.I. Victor Construction, Inc.	Repair tile on top of WCC entrance wall	-500.00
Bill Pmt -Check	11/03/2023	21073	Vanguard Cleaning Systems	Monthly Janitorial Srvc-November	-495.00
General Journal	11/04/2023	ke 11.13.23		Payroll 11/04/2023	-36,315.90
General Journal	11/04/2023	ke 11.13.23		PPE 11/04//2023 - EDD	-2,434.97
General Journal	11/04/2023	ke 11.13.23		PPE 11/04/2023 - ETT	-2.03
General Journal	11/04/2023	ke 11.13.23		PPE11/04/2023 - SUI	-34.59
General Journal	11/04/2023	ke 11.13.23		PPE 11/04/2023-IRS	-13,018.07
General Journal	11/04/2023	ke 11.13.23	CalPERS (Payroll)	CalPERS - PPE 11/04/2023	-7,504.13
General Journal	11/04/2023	ke 11.13.23	CalPERS (Payroll)	CalPERS - PPE 11/04/2023	-1,799.99
Bill Pmt -Check	11/06/2023	21074	ACWA JPIA	Med/Dental/Vision/Life Ins-December	-17,362.78
Bill Pmt -Check	11/06/2023	21075	Monte Vista Water District	Recycled Garden Irrigation	-321.49
Bill Pmt -Check	11/06/2023	21076	Occupational Health Ctr of Ca	Pre-Employment Physical-IG	-155.50
Bill Pmt -Check	11/06/2023	21077	Smith Brothers Glass, Inc	replace window -upper North corner of board r...	-2,395.10
Bill Pmt -Check	11/07/2023	21078	Monte Vista Water District	irrigation @ MC 1,2,3	-178.71
Bill Pmt -Check	11/07/2023	21079	Beneficial Ag Services	Green Waste Recycling	-36.00
Bill Pmt -Check	11/07/2023	21080	Burrtec Waste Industries, Inc.	trash & green waste srvc-November	-395.36
Bill Pmt -Check	11/07/2023	21081	Climatec LLC		-5,650.19
General Journal	11/10/2023	bc 12.7.23	Paychex	Paychex Fee - Hrs	-50.00
Bill Pmt -Check	11/13/2023	21082	Cal Card (US Bank)	Statement Ending 10/23/2023	-17,416.44
Bill Pmt -Check	11/16/2023	21083	Bee Removers	Bee Removal Svcs	-260.00
Bill Pmt -Check	11/16/2023	21084	Beneficial Ag Services	Green Waste Recycling	-36.00
Bill Pmt -Check	11/16/2023	21085	Central Blueprint Service		-74.13
Bill Pmt -Check	11/16/2023	21086	Cintas Corporation #150	Uniform Srvc	-103.86
Bill Pmt -Check	11/16/2023	21087	Climatec LLC	check for refrigerant leaks	-595.00
Bill Pmt -Check	11/16/2023	21088	City of Ontario		-278.81
Bill Pmt -Check	11/16/2023	21089	Department of Justice	Fingerprints-KL	-64.00
Bill Pmt -Check	11/16/2023	21090	Dora Cervantes	Strip/wax floors in WCC & ED bldgs	-950.00
Bill Pmt -Check	11/16/2023	21091	Hometown Rentals Inc.	Trencher Rental for GIES Randall Pepper	-220.00
Bill Pmt -Check	11/16/2023	21092	Jon's Flags & Poles Inc.	CAL & USA flags (2 ea)	-401.67
Bill Pmt -Check	11/16/2023	21093	Lighting Instyle Inc.	Locker Rm Light Bulbs	-38.04
Bill Pmt -Check	11/16/2023	21094	Monte Vista Water District		-749.00
Bill Pmt -Check	11/16/2023	21095	Rupinder S. Bedi	First Aid CPR & AED Training-20 Staff	-780.00
Bill Pmt -Check	11/16/2023	21096	San Diego Human Resources Consultin...	HR Consulting Svcs-October	-246.05
Bill Pmt -Check	11/16/2023	21097	SCE (Utility Payments Only)	Electric use all campus 10/11-11/8	-2,340.83
Bill Pmt -Check	11/16/2023	21098	Smith Pipe & Supply Inc.		-60.18
Bill Pmt -Check	11/16/2023	21099	Aggressive Pest Management	Quarterly pest control srvc	-75.00
Bill Pmt -Check	11/16/2023	21100	Great America Financial Services Corp	Copier Lease Pmt	-687.73
Bill Pmt -Check	11/17/2023	21101	JMD	2023-14 Board/Admin Assist svcs-Oct	-3,855.30
General Journal	11/18/2023	BC 11.22.23		PPE 11/18/23	-44,873.70
General Journal	11/18/2023	BC 11.22.23		PPE 11/18/23 - SDI	-436.90
General Journal	11/18/2023	BC 11.22.23		PPE 11/18/23 - ETT	-3.11
General Journal	11/18/2023	BC 11.22.23		PPE 11/18/23 - SUI	-52.90
General Journal	11/18/2023	BC 11.22.23		PPE 11/18/23	-16,231.45
General Journal	11/18/2023	BC 11.22.23	CalPERS (Payroll)	CalPERS - PPE 11/18/23	-6,997.01
General Journal	11/18/2023	BC 11.22.23	CalPERS (Payroll)	CalPERS - PPE 11/18/23	-1,799.99
Bill Pmt -Check	11/20/2023	21102	Brunick, McElhaney & Kennedy		-26,662.25
Bill Pmt -Check	11/20/2023	21103	TPX Communications	phone & internet service 11/16-12/15	-831.45
Bill Pmt -Check	11/20/2023	21104	Verizon Wireless	wireless push to talk srvc 11/10-12/09	-141.90
Bill Pmt -Check	11/20/2023	21105	T&G Roofing Company, Inc	Roof Repairs on WCC Bldg	-2,950.00
Total 10100 · General Checking					-249,267.25
Total 10000 · Cash Accounts					-249,267.25
TOTAL					-249,267.25

Chino Basin Water Conservation District
Monthly Petty Cash Checking Disbursements
As of November 30, 2023

Type	Date	Num	Name	Memo	Amount	Balance
10000 · Cash Accounts						1,001.21
10200 · Petty Cash						1,001.21
Total 10200 · Petty Cash						1,001.21
Total 10000 · Cash Accounts						1,001.21
TOTAL						1,001.21

Chino Basin Water Conservation District
CalCard Monthly Detail
As of November 30, 2023

Type	Date	Name	Memo	Amount	Balance
20600 · CalCard					2,081.26
20605 · CalCard - David Schroeder					0.00
Credit Card Charge	11/22/2023	Lowe's-Cal Card	Box Cutter	9.68	9.68
Total 20605 · CalCard - David Schroeder				9.68	9.68
20609 · CalCard - J Salcido					118.71
Credit Card Charge	11/03/2023	Super King	Tortoise Food	21.49	140.20
Credit Card Charge	11/07/2023	Fuel - Misc	Fuel for newer Chevy	119.99	260.19
Credit Card Charge	11/08/2023	Super King	tortoise food	22.95	283.14
Credit Card Charge	11/14/2023	Supplies - Misc	paint for ASM office	101.68	384.82
Credit Card Charge	11/17/2023	Stater Bros - CalCard	cat food	16.34	401.16
Credit Card Charge	11/17/2023	Stater Bros - CalCard	tortoise food	18.84	420.00
Credit Card Charge	11/17/2023	Supplies - Misc	Gas Can & Fertilizer	235.84	655.84
Credit Card Charge	11/17/2023	Costco-Cal Card	Fuel for 2018 Chevy	125.45	781.29
Credit Card Credit	11/20/2023	Supplies - Misc	Return of Potassium Sulfate	-119.47	661.82
Credit Card Charge	11/20/2023	Supplies - Misc	Fertilizer for Palms (Grow More)	144.39	806.21
Credit Card Charge	11/20/2023	Costco-Cal Card	Paper towels, toilet paper, laundry detergent, cups, copy paper	284.26	1,090.47
Bill	11/22/2023	Cal Card (US Bank)	Statement Ending 11/22/23	-1,090.47	0.00
Total 20609 · CalCard - J Salcido				-118.71	0.00
20610 · CalCard - J Taylor					200.98
Credit Card Charge	11/02/2023	Amazon-Cal Card	Binder Clips, Stapler, Letter Opener, Sheet Protector	77.12	278.10
Credit Card Charge	11/02/2023	Amazon-Cal Card	Date/Time Receiver Stamp	37.01	315.11
Credit Card Charge	11/02/2023	Amazon-Cal Card	Placemats for Holiday Luncheon	18.52	333.63
Credit Card Charge	11/03/2023	Amazon-Cal Card	Febreze and Keyboard Wrist Rest	39.10	372.73
Credit Card Charge	11/04/2023	Stater Bros - CalCard	Board Mtg Refreshments	10.12	382.85
Credit Card Charge	11/06/2023	Food - CalCard	Monicas BDay Dessert	48.99	431.84
Credit Card Credit	11/07/2023	Amazon-Cal Card	Keyboard Wrist Rest Return	-27.24	404.60
Credit Card Charge	11/07/2023	Supplies - Misc	owl table centerpieces for Holiday Luncheon	40.55	445.15
Credit Card Charge	11/07/2023	Amazon-Cal Card	Phone message book for front desk	13.04	458.19
Credit Card Charge	11/08/2023	Costco-Cal Card	Mtg Refreshments, Janitorial, Office Supplies	548.39	1,006.58
Credit Card Charge	11/12/2023	Stater Bros - CalCard	bday cake-Dir. Mark, beverages-mtgs	75.00	1,081.58
Credit Card Charge	11/12/2023	Restaurant-Cal Card	lunch mtg for ML & Liz on 11/13	34.77	1,116.35
Credit Card Charge	11/13/2023	Restaurant-Cal Card	lunch for -Attny Lee (mtg w/Liz & ML 11/13)	23.45	1,139.80
Credit Card Charge	11/15/2023	Amazon-Cal Card	Wood Slices for XMas Luncheon Centerpieces	17.99	1,157.79
Credit Card Charge	11/16/2023	Supplies - Misc	FireKing file cabinet drawer dividers	31.60	1,189.39
Credit Card Charge	11/16/2023	Amazon-Cal Card	11x17 Janimating pouches	38.14	1,227.53
Credit Card Charge	11/16/2023	Amazon-Cal Card	Clear Address Labels for Holiday Cards	38.58	1,266.11
Credit Card Charge	11/20/2023	Amazon-Cal Card	Xmas Tree Decor:lights, burlap, twine, garland, ornaments	129.65	1,395.76
Credit Card Charge	11/20/2023	Amazon-Cal Card	Xmas Tree Stand-Heavy Duty	87.19	1,482.95
Credit Card Charge	11/20/2023	Supplies - Misc	lg. ribbon for 75th time capsule	69.01	1,551.96
Credit Card Charge	11/21/2023	Post Office	Holiday Stamps	105.60	1,657.56
Credit Card Charge	11/22/2023	Amazon-Cal Card	sugar dispensers, Kcup organizer, file folders and tabs, cardsto...	231.78	1,889.34
Bill	11/22/2023	Cal Card (US Bank)	Statement Ending 11/22/23	-1,570.37	318.97
Credit Card Credit	11/23/2023	Amazon-Cal Card	TP Holder for Outdoor Rstrm	-65.34	253.63
Credit Card Charge	11/25/2023	Hobby Lobby	Craft Supplies - Holiday Luncheon Centerpieces	20.67	274.30
Credit Card Charge	11/28/2023	Amazon-Cal Card	Clear Stackable Storage Drawers - Office Supply Room Organiz...	55.58	329.88
Credit Card Charge	11/28/2023	Amazon-Cal Card	Command Strips and Electronic Date/Time Stamp	354.49	684.37
Total 20610 · CalCard - J Taylor				483.39	684.37
20613 · CalCard - R Sotomayor					205.02
Credit Card Charge	11/06/2023	Amazon-Cal Card	Ice Machine Cleaner	49.04	254.06
Credit Card Charge	11/09/2023	Home Depot - CalCard	Irrigation Parts-GIES Randall Pepper	136.91	390.97
Credit Card Charge	11/13/2023	Lowe's-Cal Card	soldering kit, copper fittings	133.35	524.32
Credit Card Charge	11/17/2023	Amazon-Cal Card	Cases for iPhones (Otter Box)	319.80	844.12
Credit Card Charge	11/17/2023	Amazon-Cal Card	Mouse and Pad for RS Computer	32.30	876.42
Credit Card Charge	11/20/2023	Supplies - Misc	Paint for ASM Office	43.16	919.58
Credit Card Charge	11/20/2023	Fuel - Misc	Fuel for 5Gal Mix Container	25.10	944.68
Credit Card Charge	11/21/2023	Amazon-Cal Card	Iphone Cases & Screen Protectors	286.32	1,231.00
Credit Card Credit	11/21/2023	Amazon-Cal Card	iPhone Otterbox Case Refund	-176.28	1,054.72
Bill	11/22/2023	Cal Card (US Bank)	Statement Ending 11/22/23	-1,054.72	0.00
Credit Card Charge	11/29/2023	Fuel - Misc	Fuel for New Chevy	121.26	121.26
Total 20613 · CalCard - R Sotomayor				-83.76	121.26
20619 · CalCard - B Burgess					10.75
Credit Card Charge	11/05/2023	Amazon-Cal Card	keyboard cover and trackpad protector for GJ laptop	13.71	24.46
Credit Card Charge	11/06/2023	Amazon-Cal Card	Pressboard Covers for Payroll Files	57.23	81.69
Credit Card Charge	11/08/2023	Amazon-Cal Card	condiment organizer, file folders and labels, Kcup organizer, ke...	202.51	284.20
Credit Card Charge	11/09/2023	Amazon-Cal Card	handsoap refill	41.69	325.89
Credit Card Charge	11/09/2023	Amazon-Cal Card	compressed air dusters	22.88	348.77
Credit Card Charge	11/09/2023	Amazon-Cal Card	multifold towels, cr. & sugar dispnsr, dog treats, post-it-notes	79.13	427.90
Credit Card Charge	11/11/2023	Amazon-Cal Card	condiment organizer, file folders and labels, Kcup organizer, ke...	87.19	515.09
Credit Card Charge	11/14/2023	Zoom	Zoom One Pro & Webinar Monthly	162.06	677.15
Credit Card Charge	11/15/2023	Amazon-Cal Card	copy paper,windex	47.31	724.46
Credit Card Charge	11/20/2023	Education - Misc	Professional Dvlpmnt Workshop for BB	275.00	999.46
Credit Card Credit	11/21/2023	Amazon-Cal Card	sugar dispenser, sticky notes, dog treats	-38.81	960.65
Credit Card Credit	11/21/2023	Amazon-Cal Card	file folders and labels, Kcup organizer	-82.62	878.03
Bill	11/22/2023	Cal Card (US Bank)	Statement Ending 11/22/23	-878.03	0.00
Credit Card Credit	11/23/2023	Amazon-Cal Card	Ipad case returned for refund	-29.42	-29.42
Total 20619 · CalCard - B Burgess				-40.17	-29.42
20620 · CalCard - S Kleinrock					35.04
Credit Card Charge	11/01/2023	SendGrid	contact list storage: Nov 2023	19.95	54.99
Credit Card Charge	11/05/2023	Amazon-Cal Card	Seed Packets	65.35	120.34
Credit Card Charge	11/08/2023	Amazon-Cal Card	3yr Camera Warranty	13.49	133.83
Credit Card Charge	11/08/2023	Amazon-Cal Card	camera tripod and craft sticks	113.35	247.18
Credit Card Charge	11/09/2023	El Nativio Growers	various plants	447.62	694.80

Chino Basin Water Conservation District CalCard Monthly Detail

As of November 30, 2023

Type	Date	Name	Memo	Amount	Balance
Credit Card Charge	11/16/2023	Tree of Life Nursery	Plants for Garden	496.40	1,191.20
Credit Card Charge	11/20/2023	Services - Misc	Apple iCloud Storage Plan	9.99	1,201.19
Bill	11/22/2023	Cal Card (US Bank)	Statement Ending 11/22/23	-1,201.19	0.00
Total 20620 · CalCard - S Kleinrock				-35.04	0.00
20626 · CalCard - M Curiel					486.41
Credit Card Charge	11/06/2023	Amazon-Cal Card	Loteria Event Artwork Hooks	13.07	499.48
Credit Card Charge	11/13/2023	Amazon-Cal Card	Loteria Gallery Hangers	29.40	528.88
Credit Card Charge	11/15/2023	Amazon-Cal Card	Loteria Event-Frames, hangers, light bulbs	70.66	599.54
Bill	11/22/2023	Cal Card (US Bank)	Statement Ending 11/22/23	-599.54	0.00
Credit Card Charge	11/29/2023	Amazon-Cal Card	Non-spill pitchers for outside instruction	28.32	28.32
Total 20626 · CalCard - M Curiel				-458.09	28.32
20630 · CalCard - M Dean					28.60
Credit Card Charge	11/08/2023	Google	Google Drive Storage	1.99	30.59
Credit Card Charge	11/11/2023	Services - Misc	Software for Social Media Mgmt	79.00	109.59
Credit Card Charge	11/16/2023	Food - CalCard	Loteria Event - Flowers & Decor	25.73	135.32
Credit Card Charge	11/19/2023	Services - Misc	newsletter software	88.35	223.67
Credit Card Charge	11/20/2023	Amazon-Cal Card	traffic slowing signs	107.67	331.34
Credit Card Charge	11/20/2023	Amazon-Cal Card	sandwich sign boards	240.87	572.21
Credit Card Charge	11/20/2023	Amazon-Cal Card	sandwich sign boards	404.80	977.01
Credit Card Charge	11/21/2023	Amazon-Cal Card	Umbrellas with stand for staff shade	134.84	1,111.85
Bill	11/22/2023	Cal Card (US Bank)	Statement Ending 11/22/23	-869.34	242.51
Credit Card Charge	11/27/2023	Drop Box	Social Media Cloud Storage	11.99	254.50
Credit Card Charge	11/29/2023	Supplies - Misc	Everything Branded - Collapsible Bucket and Flying Disc Dog D...	2,377.50	2,632.00
Credit Card Charge	11/29/2023	Supplies - Misc	6th Grade Field Trip Supply - Soil Samples	29.11	2,661.11
Credit Card Charge	11/30/2023	Zoom	Zoom Pro for Virtual Mtg and Field Trips	16.61	2,677.72
Total 20630 · CalCard - M Dean				2,649.12	2,677.72
20631 · CalCard - W Mercado					21.67
Credit Card Charge	11/01/2023	Amazon-Cal Card	Lesson Tape	63.94	85.61
Credit Card Charge	11/02/2023	Amazon-Cal Card	ED Bldg Cleaning Supplies	11.94	97.55
Credit Card Charge	11/15/2023	Food - CalCard	Pan Dulce for Loteria Event	101.25	198.80
Bill	11/22/2023	Cal Card (US Bank)	Statement Ending 11/22/23	-198.80	0.00
Credit Card Charge	11/27/2023	Amazon-Cal Card	Beads for Water Cycle Lesson Plan	15.24	15.24
Credit Card Charge	11/29/2023	Amazon-Cal Card	Cotton Balls - 6th Grade Lesson Plan Supplies	7.24	22.48
Total 20631 · CalCard - W Mercado				0.81	22.48
20632 · CalCard - E Skrzat					431.52
Credit Card Charge	11/02/2023	Supplies - Misc	Heritage Time Capsules: Time Capsule for 75th Anniversary	2,336.00	2,767.52
Credit Card Charge	11/06/2023	Supplies - Misc	Centerpieces for Time Capsule Event	370.41	3,137.93
Credit Card Charge	11/13/2023	Services - Misc	Hotel for Mark L @ Leadership Academy	623.94	3,761.87
Credit Card Charge	11/16/2023	Southern California News Gr...	Daily Bulletin: Digital access monthly	14.00	3,775.87
Credit Card Charge	11/20/2023	4imprint, Inc.	Giveaways - Colored pencil sharpener set and reuseable food s...	2,900.99	6,676.86
Bill	11/22/2023	Cal Card (US Bank)	Statement Ending 11/22/23	-3,151.93	3,524.93
Credit Card Charge	11/23/2023	Adobe	Creative Cloud & Acrobat Pro - Monthly	398.91	3,923.84
Credit Card Charge	11/23/2023	Zoom	One Pro monthly 11/23-12/22	16.61	3,940.45
Credit Card Charge	11/28/2023	Los Angeles News Group	Monthly Digital Access	16.00	3,956.45
Credit Card Charge	11/28/2023	Food - CalCard	EW lunch to ACWA Fall Conference	8.14	3,964.59
Credit Card Charge	11/29/2023	Food - CalCard	EW breakfast at ACWA Fall Conference	10.08	3,974.67
Credit Card Charge	11/30/2023	Marriott	ACWA Fall Conference: 11-28-23 to 11-30-23	520.44	4,495.11
Credit Card Charge	11/30/2023	Marriott	ACWA Fall Conference: 11-28-23 to 11-30-23	520.44	5,015.55
Credit Card Charge	11/30/2023	Marriott	ACWA Fall Conference: 11-28-23 to 11-30-23	598.44	5,613.99
Credit Card Charge	11/30/2023	Food - CalCard	EW lunch from ACWA Fall Conference	8.21	5,622.20
Credit Card Charge	11/30/2023	Food - CalCard	EW breakfast at ACWA Fall Conference	8.81	5,631.01
Total 20632 · CalCard - E Skrzat				5,199.49	5,631.01
20634 · CalCard - D Moreno					0.00
Credit Card Charge	11/06/2023	Fuel - Misc	Fuel for Ford	141.19	141.19
Credit Card Charge	11/06/2023	Home Depot - CalCard	Hooks for conservation storage area	12.22	153.41
Credit Card Charge	11/08/2023	Home Depot - CalCard	Storage Bins for Conservation Area	139.71	293.12
Bill	11/22/2023	Cal Card (US Bank)	Statement Ending 11/22/23	-293.12	0.00
Credit Card Charge	11/28/2023	Services - Misc	Car Wash for F-150: Soft Touch Car Wash	36.99	36.99
Credit Card Charge	11/28/2023	Fuel - Misc	Gas for F-150	134.89	171.88
Total 20634 · CalCard - D Moreno				171.88	171.88
20637 · CalCard - G Jimenez					173.06
Credit Card Charge	11/06/2023	Armstrong Garden Center	Plants for garden	40.90	213.96
Credit Card Charge	11/18/2023	Home Depot - CalCard	hose bib cap parts	14.40	228.36
Bill	11/22/2023	Cal Card (US Bank)	Statement Ending 11/22/23	-228.36	0.00
Total 20637 · CalCard - G Jimenez				-173.06	0.00
20642 · CalCard - D Schroeder					0.00
Credit Card Charge	11/16/2023	Lowe's-Cal Card	Gloves, Knives, Wire	48.40	48.40
Bill	11/22/2023	Cal Card (US Bank)	Statement Ending 11/22/23	-48.40	0.00
Credit Card Credit	11/23/2023	Lowe's-Cal Card	Returned Blade	-9.67	-9.67
Total 20642 · CalCard - D Schroeder				-9.67	-9.67
20643 · CalCard - D Lamarque					0.00
Bill	11/22/2023	Cal Card (US Bank)	Statement Ending 11/22/23	0.00	0.00
Total 20643 · CalCard - D Lamarque				0.00	0.00
20644 · CalCard - L Holguin					124.79
Credit Card Charge	11/21/2023	Lowe's-Cal Card	PPE and Water Filters	149.56	274.35

Chino Basin Water Conservation District
CalCard Monthly Detail
As of November 30, 2023

Type	Date	Name	Memo	Amount	Balance
Bill	11/22/2023	Cal Card (US Bank)	Statement Ending 11/22/23	-274.35	0.00
Total 20644 · CalCard - L Holguin				-124.79	0.00
20645 · CalCard- J Jones					0.00
Bill	11/22/2023	Cal Card (US Bank)	Statement Ending 11/22/23	0.00	0.00
Credit Card Charge	11/25/2023	California Botanic Garden	Seeds for Garden	21.90	21.90
Credit Card Charge	11/25/2023	Home Depot - CalCard	Potting soil for garden	8.05	29.95
Total 20645 · CalCard- J Jones				29.95	29.95
20646 · CalCard- A Fernandez					36.71
Credit Card Charge	11/03/2023	ASBCSD	Nov Dinner Meeting-Dir Parker	36.71	73.42
Credit Card Charge	11/14/2023	City Clerk's Association of C...	Board Clerk job posting	300.00	373.42
Credit Card Charge	11/15/2023	Supplies - Misc	Paint for ASM Office	116.17	489.59
Bill	11/22/2023	Cal Card (US Bank)	Statement Ending 11/22/23	-489.59	0.00
Total 20646 · CalCard- A Fernandez				-36.71	0.00
20647 · CalCard- A Quinones					208.00
Credit Card Charge	11/14/2023	Smart & Final-Cal Card	Loteria Refreshments-Milk and Abuelita Hot Chocolate	24.42	232.42
Bill	11/22/2023	Cal Card (US Bank)	Statement Ending 11/22/23	-232.42	0.00
Credit Card Charge	11/26/2023	Services - Misc	Fieldtrip Booking Platform - Monthly Subscription	199.00	199.00
Credit Card Charge	11/28/2023	Wishpond	Paused Plan - Poster contest voting platform	9.00	208.00
Total 20647 · CalCard- A Quinones				0.00	208.00
Total 20600 · CalCard				7,464.32	9,545.58
TOTAL				7,464.32	9,545.58

CHINO BASIN WATER CONSERVATION DISTRICT
PAYROLL SUMMARY
Nov-23

	PPE	
	11/4/2023	
Total Checks & Direct Deposits	\$	36,315.90
Total Taxes Paid	\$	15,489.66
Total Payroll	\$	51,805.56
<i>*Check date 11/9/2023</i>		

	PPE	
	11/18/2023	
Total Checks & Direct Deposits	\$	44,873.70
Total Taxes Paid	\$	16,724.36
Total Payroll	\$	61,598.06
<i>*Check date 11/22/2023</i>		

CHINO BASIN WATER CONSERVATION DISTRICT
PAYROLL SUMMARY
Nov-23

Pay Period Beg.	Pay Period End	Gross Wages	Notes
6/18/2023	7/1/2023	\$ 54,009.58	
7/2/2023	7/15/2023	\$ 57,916.88	
7/16/2023	7/29/2023	\$ 52,833.17	
7/30/2023	8/12/2023	\$ 55,622.73	
8/13/2023	8/26/2023	\$ 59,212.92	
8/27/2023	9/9/2023	\$ 54,669.62	
9/10/2023	9/23/2023	\$ 61,235.64	
9/24/2023	10/7/2023	\$ 53,496.92	
10/8/2023	10/21/2023	\$ 55,879.77	
10/22/2023	- 11/4/2023	\$ 52,929.72	
11/5/2023	- 11/18/2023	\$ 61,429.59	
Total Payroll		\$ 619,236.54	

Payroll Date	11/04/23
Check Date	
11/9/2023	

[illegible]

Chino Basin Water Conservation District
Director and Staff Expense Reimbursements

Payroll Date 11/18/23
Check Date 11/23/2023

Board of Director Expenses											Staff Expenses				
Emp #	Name	Medical Insurance	Mileage	Director Conference & Tours		Director Travel	Medical Reimb	Employee Mileage	EE Health Exp	Uniforms					
		51250	51260	51210	51280	51240					50312	51970			
		explanation	explanation	explanation	explanation	explanation	explanation	explanation	explanation	explanation					
111	Gulshahmad, Hanif	monthly reimb.	\$ 71.40	\$ -	\$ -	\$ -									
113	Ligenberg, Mark	monthly reimb.	\$ 13.10	\$ -	\$ 406.83										
114	Aldaco, Gilbert	monthly reimb.	\$ 10.22	\$ -											
115	Sonnenberg, Ryan	N/A at this time	\$ 9.43	\$ -	\$ -										
116	Parker, Katherine	monthly reimb.	\$ 41.79												
117	Layton, Theresa	N/A at this time	\$ 22.93	\$ -	\$ -										
118	Coker, Amanda	N/A at this time	\$ 7.07	\$ -	\$ -										
279	Alfaro, Ashley					\$ -		reimb at .655 per mile	\$ -	\$ -					
240	Burgess, Brandon					\$ -		reimb at .655 per mile	\$ -	\$ -					
249	Curiel, Monica					\$ -		reimb at .655 per mile	\$ -	\$ -					
278	Denberger, Kaylee					\$ -		reimb at .655 per mile	\$ -	\$ -					
276	Fernandez, Alicia					\$ -		reimb at .655 per mile	\$ -	\$ -					
281	Garcia, Isabella					\$ -		reimb at .655 per mile	\$ -	\$ -					
270	Holguin, Luis					\$ -		reimb at .655 per mile	\$ -	\$ -					
260	Jimenez, George					\$ -		reimb at .655 per mile	\$ -	\$ -					
267	Jones, Jacob					\$ -		reimb at .655 per mile	\$ -	\$ -					
280	Lopez, Cassandra					\$ -		reimb at .655 per mile	\$ -	\$ -					
256	Mercado, William					\$ -		reimb at .655 per mile	\$ -	\$ -					
257	Moreno, Daniel					\$ -		reimb at .655 per mile	\$ -	\$ 180.00					
277	Quinones, Azucena					\$ -		reimb at .655 per mile	\$ -	\$ -					
230	Salcido, James					\$ -		reimb at .655 per mile	\$ -	\$ -					
214	Sotomayor, Roberto					\$ -		reimb at .655 per mile	\$ -	\$ -					
220	Taylor, Judith					\$ -		reimb at .655 per mile	\$ -	\$ -					
254	Bejjad-Dean, Maia					\$ -		reimb at .655 per mile	\$ -	\$ -					
239	Kleinreck, Scott					\$ -		reimb at .655 per mile	\$ -	\$ -					
202	Schneider, David W					\$ -		reimb at .655 per mile	\$ -	\$ -					
269	Rodriguez Pinto, Laura					\$ -		reimb at .655 per mile	\$ -	\$ -					
253	Willis, Elizabeth					\$ -		reimb at .655 per mile	\$ -	\$ -					
Totals:		\$ 442.42	\$ 175.94	\$ -	\$ 406.83	\$ -		\$ 43.10	\$ -	\$ 180.00					



**STAFF REPORT
BOARD OF DIRECTORS REGULAR MEETING**

DATE: January 8, 2024

FROM: Elizabeth Willis, General Manager
Jonathan Abadesco, Fedak & Brown

BY: Elizabeth Willis, General Manager

SUBJECT: **AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR 2022-2023 BY FEDAK & BROWN**

RECOMMENDATION

Review, discuss, and adopt the annual financial statements for Fiscal Year 2022-2023.

BACKGROUND

The Board approved the FY 2022-2023 Budget on June 12, 2023. Mid-Year adjustments to the FY 2022-23 Budget were approved on April 10, 2023. The District's auditor, Fedak & Brown LLP conducted the interim audit work July 17-18, 2023. The final audit took place on November 14-16, 2023. The preliminary audit was conducted remotely and the final field work was conducted onsite. Fedak & Brown LLP will present the audit findings to the Board of Directors during the meeting.

ISSUES & ANALYSIS

District staff and auditors follow guidelines set forth by the Governmental Accounting Standards Board (GASB), prepare this financial report annually. This report is organized into three sections: (1) Introductory, (2) Financial, and (3) Required Supplementary Information.

The Financial Section includes the Independent Auditor's Report, Management's Discussion and Analysis of the District's financial statements, the District's audited financial statements with accompanying notes, as well as the Independent Auditor's Report on Internal Control over Financial Reporting. As noted in the Independent Auditor's Report, "Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America."

The Independent Auditor's Report states, "In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental

BOARD OF DIRECTORS REGULAR MEETING: JANUARY 8, 2024

Page 2 of 3

activities of the District, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.” (p.2)

Management’s Discussion and Analysis (MD&A) introduces the financial statements of the District for the fiscal year and notes the following financial highlights:

- As of June 30, 2022, the District’s General Fund reported a fund balance of \$12,085,459. (p.15)
- As of June 30, 2023, the District’s General Fund reported a fund balance of \$13,339,136. (p.15)
- The District's net position increased 7.8% or \$1,955,800 to \$26,875,963 as a result of ongoing operations. (p.5)
- The District’s total general revenues net of expense increased 21.7% or \$811,053 to \$4,550,315 primarily due to increases of \$478,821 in property taxes and \$367,652 in investment returns net of fair value, which were offset by decreases of \$19,829 from a loss in disposable assets and \$15,435 in other revenue as compared to prior year. (p.8)
- The District’s program revenues increased 1,975.1%, or \$601,413 to \$631,862 primarily due to an increase grant funds for a capital project: repairing and replacing the Montclair #2 Spillway. Construction related to the spillway was completed October 2022. (p. 8)
- The District’s total expenses decreased 17.7%, or \$691,818, to \$3,226,377, primarily due to decreases of \$724,210 in salaries and benefits, due to a prior year one-time pre-payment to CalPERS made towards the District’s pension liability, and \$61,766 in basin and garden maintenance, offset by increases of \$73,312 in materials and services and \$17,957 in public education as compared to the prior year. (p.8)
- As of June 30, 2023, the District’s General Fund reported a fund balance of \$13,339,136. An amount of \$7,401,258 constitutes the District’s *unassigned fund balance*, which is available for spending or designation at the District’s discretion. The remainder of the fund balance is considered non-spendable, committed, or assigned to indicate that it is not available for general spending because it has already been committed to a specific purpose. (p.8)
- At the end of fiscal year 2023, the District’s investment in capital assets amounted to \$14,321,398 (net of accumulated depreciation). This investment in capital assets includes land, percolation facilities, buildings, equipment, vehicles, leased equipment, and construction-in-process. (p.9)

The Required Supplementary Information section provides selected financial information generally presented in greater detail than included in the District's financial statements to provide appropriate operational, economic, or historical context.

The Report on Internal Control Over Finance Reporting and Compliance "did not identify any deficiencies in internal control that we consider to be material weaknesses" and states that "tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*." (p.41)

FISCAL IMPACT

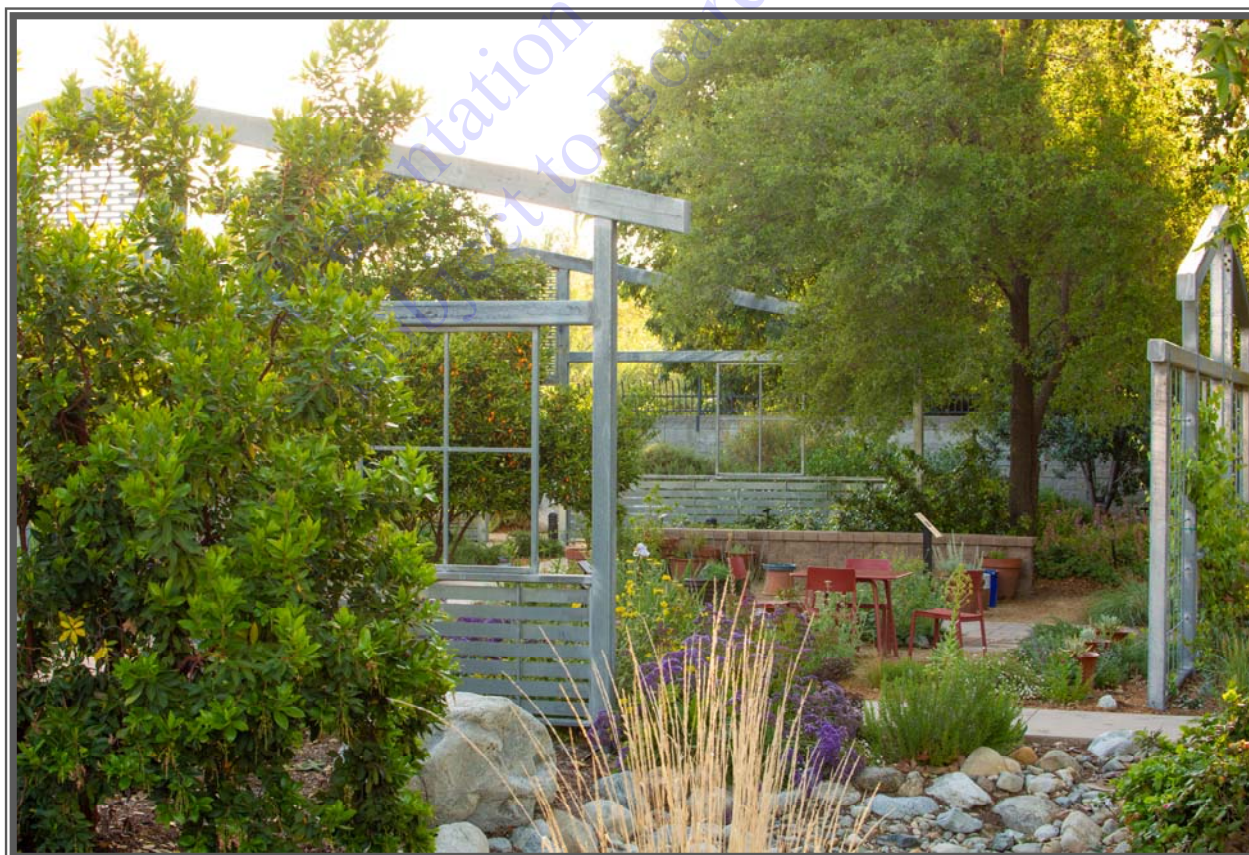
None.

ATTACHMENT(S):

1. CBWCD Financial Statements for Fiscal Year Ended June 30, 2023



Financial Statements
For the Fiscal Year Ended
June 30, 2023



Our Mission Statement

"Protecting and replenishing our regional groundwater supply since 1949."

Board of Directors as of June 30, 2023

Name	Division	Title	Elected/ Appointed	Term
Mark Lightenberg	Division 4	President	Appointed In-Lieu	11/2020 - 11/2024
Kati Parker	Division 1	Vice-President	Elected	12/2022 - 11/2026
Gil Aldaco	Division 5	Treasurer	Appointed In-Lieu	11/2020 - 11/2024
Teri Layton	Division 2	Director	Appointed In-Lieu	12/2022 - 11/2024
Amanda Cooker	Division 3	Director	Appointed In-Lieu	12/2022 - 11/2024
Dr. Hanif Gulmahamad	Division 6	Director	Appointed In-Lieu	11/2020 - 11/2024
Ryan Sonnenberg	Division 7	Director	Appointed In-Lieu	12/2022 - 11/2026

**Chino Basin Water Conservation District
Elizabeth Willis, General Manager
4594 San Bernardino Street
Montclair, California 91763-0900
(909) 626-2711**

Chino Basin Water Conservation District

Financial Statements

For the Fiscal Year Ended June 30, 2023

Presentation Version
Subject to Board Approval

**Chino Basin Water Conservation District
Financial Statements
For the Fiscal Year Ended June 30, 2023**

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Introductory Section

Presentation Version
Subject to Board Approval



January 8, 2024

The Honorable Board of Directors of the
Chino Basin Water Conservation District

It is our pleasure to submit the Annual Financial Report for the Chino Basin Water Conservation District (District) for fiscal year ending June 30, 2023. District staff prepared this financial report following guidelines set forth by the Governmental Accounting Standards Board (GASB). The District is ultimately responsible for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures in this financial report. We believe that the data presented is accurate in all material respects. This report is designed in a manner that we believe is necessary to enhance your understanding of the District's financial position and activities.

This report is organized into three sections: (1) Introductory, (2) Financial, and (3) Required Supplementary Information. The Financial section includes the Independent Auditors' Report, Management's Discussion and Analysis of the District's financial statements, the District's audited financial statements with accompanying notes, as well as the Independent Auditor's Report on Internal Control over Financial Reporting. The Required Supplementary Information section includes selected financial information generally presented in greater detail than presented in the District's financial statements.

Generally Accepted Accounting Principles (GAAP) requires that management provide a narrative introduction, overview, and analysis to accompany the financial statements in the form of a Management's Discussion and Analysis (MD&A) section. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A is located immediately following the Independent Auditors' Report.

Preparation of this report was accomplished by the combined efforts of District staff. We appreciate the dedicated efforts and professionalism that our staff members bring to the District. We would also like to thank the members of the Board of Directors for their continued support in the planning and implementation of the Chino Basin Water Conservation District's fiscal policies.

Respectfully submitted,

A handwritten signature in black ink that reads "Elizabeth Willis". The signature is written in a cursive style and is positioned above a horizontal line.

Elizabeth Willis
General Manager

4594 San Bernardino Street
Montclair, CA 91763-2228
(909) 626-2711
Fax: (909) 626-5974

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Presentation Version
Subject to Board Approval

Financial Section

Presentation Version
Subject to Board Approval

Independent Auditor's Report

Board of Directors
Chino Basin Water Conservation District
Montclair, California

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities of Chino Basin Water Conservation District (District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the District, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the State Controller's Minimum Audit Requirements for California Special District's. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Independent Auditor's Report, continued

Auditor's Responsibilities for the Audits of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Independent Auditor's Report, continued

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 9 and the required supplementary information on pages 38 through 40 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Report on Summarized Comparative Information

We have previously audited the District's June 30, 2022, financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 9, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 8, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance. This report can be found on pages 41 and 42.

C.J. Brown & Company, CPAs
Cypress, California
January 8, 2024

Chino Basin Water Conservation District
Management's Discussion and Analysis
For the Year Ended June 30, 2023

The following Management's Discussion and Analysis (MD&A) of activities and financial performance of the Chino Basin Water Conservation District (District) provides an introduction to the financial statements of the District for the fiscal year ended June 30, 2023 (with comparative information for fiscal year ended June 30, 2022). We encourage readers to consider the information presented here in conjunction with the letter of transmittal in the Introductory Section that we have furnished in the accompanying basic financial statements, which follow this section.

Financial Highlights

- The District's net position increased 7.8%, or \$1,955,800, to \$26,875,963 as a result of ongoing operations.
- The District's program revenues increased 1,975.1%, or \$601,413, to \$631,862.
- The District's general revenues, net of expense increased 21.7%, or \$811,053, to \$4,550,315.
- The District's expenses decreased 17.7%, or \$691,818, to \$3,226,377.

Using This Financial Report

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities and performance of the District using accounting methods similar to those used by private sector companies.

The Statement of Net Position includes all of the District's investments in resources (assets), deferred outflows of resources, obligations to creditors (liabilities), and deferred inflows of resources. It also provides the basis for computing a rate of return, evaluating the capital structure of the District, and assessing the liquidity and financial flexibility of the District. All of the current year's revenues and expenses are accounted for in the Statement of Activities. This statement measures the success of the District's operations over the past year and can be used to determine the District's profitability and credit worthiness.

Government-wide Financial Statements

Statement of Net Position and Statement of Activities

One of the most important questions asked about the District's finances is, "Is the District better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Activities report information about the District in a way that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the *accrual basis of accounting*, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

These two statements report the District's *net position* and changes in them. You can think of the District's net position – the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, as one way to measure the District's financial health, or *financial position*. Over time, *increases or decreases* in the District's net position are one indicator of whether its *financial health* is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, zoning, and new or changed government legislation, such as changes in Federal and State water quality standards.

Chino Basin Water Conservation District
Management's Discussion and Analysis, continued
For the Year Ended June 30, 2023

Governmental Funds Financial Statements

Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 17 through 37.

Government-wide Financial Analysis

Statement of Net Position

Below is a summary of the statements of net position.

Condensed Statements of Net Position			
	2023	2022	Change
Assets:			
Current assets	\$ 13,448,212	12,184,775	1,263,437
Non-current assets	14,321,398	13,397,098	924,300
Total assets	27,769,610	25,581,873	2,187,737
Deferred outflows of resources	1,163,002	1,770,948	(607,946)
Liabilities:			
Current liabilities	183,745	159,756	23,989
Non-current liabilities	838,652	1,213,543	(374,891)
Total liabilities	1,022,397	1,373,299	(350,902)
Deferred inflows of resources	1,034,252	1,059,359	(25,107)
Net position:			
Net investment in capital assets	14,295,705	13,393,119	902,586
Unrestricted	12,580,258	11,527,044	1,053,214
Total net position	\$ 26,875,963	24,920,163	1,955,800

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$26,875,963 as of June 30, 2023.

Chino Basin Water Conservation District
Management's Discussion and Analysis, continued
For the Year Ended June 30, 2023

Government-wide Financial Analysis, continued

Statement of Net Position, continued

A major portion of the District's net position reflects its investment in capital assets (net of accumulated depreciation), less any related debt (if applicable) used to acquire those assets that are still outstanding. The District uses these capital assets to apply and promote water conservation techniques within its service area; consequently, these assets are *not* available for future spending. At the end of fiscal year 2023, the District shows a positive balance in its unrestricted net position of \$12,580,258. See Note 9 for the amount of spendable net position that may be utilized in future years.

Statement of Activities

Below is a summary of the statements of activities.

Condensed Statements of Activities

	<u>2023</u>	<u>2022</u>	<u>Change</u>
Expenses:			
Water conservation:			
Salaries and benefits	\$ 1,879,277	2,603,487	(724,210)
Basin and garden maintenance	175,296	237,062	(61,766)
Public education	131,595	113,638	17,957
Materials and services	642,613	569,301	73,312
Depreciation and amortization	397,596	394,707	2,889
Total expenses	<u>3,226,377</u>	<u>3,918,195</u>	<u>(691,818)</u>
Program revenues:			
Charges for services:			
Landscape evaluation audits	6,512	30,449	(23,937)
Capital grants and contributions	625,350	-	625,350
Total program revenues	<u>631,862</u>	<u>30,449</u>	<u>601,413</u>
Net program expenses	<u>2,594,515</u>	<u>3,887,746</u>	<u>(1,293,231)</u>
General revenues (expense):			
Property taxes	4,300,168	3,821,347	478,821
Investment returns, net of fair value	257,144	(110,508)	367,652
Interest expense – lease	(384)	(228)	(156)
Loss on disposal on assets	(25,315)	(5,486)	(19,829)
Other	18,702	34,137	(15,435)
Total general revenues, net	<u>4,550,315</u>	<u>3,739,262</u>	<u>811,053</u>
Change in net position	<u>1,955,800</u>	<u>(148,484)</u>	<u>2,104,284</u>
Net position – beginning of period	<u>24,920,163</u>	<u>25,068,647</u>	<u>(148,484)</u>
Net position – end of period	<u>\$ 26,875,963</u>	<u>24,920,163</u>	<u>1,955,800</u>

Chino Basin Water Conservation District
Management's Discussion and Analysis, continued
For the Year Ended June 30, 2023

Government-wide Financial Analysis, continued

Statement of Activities, continued

The statement of activities shows how the government's net position changes during the fiscal year. In the case of the District, net position increased 7.8%, or \$1,955,800, to \$26,875,963 as a result of ongoing operations.

Total program revenues increased 1,975.1%, or \$601,413, to \$631,862, due to an increase in capital grants sourcing from an American Rescue Plan Act (ARPA) grant passed through the County of San Bernardino and a Stormwater Recharge Pilot Program grant from the Metropolitan Water District.

Total general revenues, net of expense increased 21.7%, or \$811,053, to \$4,550,315, primarily due to increases of \$478,821 in property taxes and \$367,652 in investment returns net of fair value; which were offset by an increase of \$19,829 from a loss on disposal of assets and a decrease of \$15,435 in other revenue as compared to the prior year.

Total expenses decreased 17.7%, or \$691,818, to \$3,226,377, primarily due to decreases of \$724,210 in salaries and benefits, due to a prior year one-time pre-payment to CalPERS made towards the District's pension liability, and \$61,766 in basin and garden maintenance; which were offset by increases of \$73,312 in materials and services and \$17,957 in public education as compared to the prior year.

Governmental Funds Financial Analysis

The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the District's financing requirements. In particular, *unrestricted fund balance* may serve as a useful measure of the government's net resources for spending at the end of the fiscal year.

As of June 30, 2023, the District's General Fund reported a fund balance of \$13,339,136. An amount of \$7,401,258 constitutes the District's *unassigned fund balance*, which is available for spending or designation at the District's discretion. The remainder of the fund balance is considered non-spendable, committed, or assigned to indicate that it is not available for general spending because it has already been committed to a specific purpose. See Note 10 for further information.

General Fund Budgetary Highlights

For the General Fund, actual expenditures were less than the anticipated budget by \$841,073. Actual revenues were more than the anticipated budget by \$493,527. (See Budgetary Comparison Schedule for General Fund under Required Supplementary Information on page 38)

Capital Asset Administration

The change in capital asset amounts for 2023 was as follows:

	<u>Balance 2022</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>Balance 2023</u>
Capital assets:				
Non-depreciable assets	\$ 6,311,531	1,209,283	(1,517,985)	6,002,829
Depreciable and amortizable assets	10,919,998	1,655,462	(65,347)	12,510,113
Accumulated depreciation and amortization	<u>(3,834,431)</u>	<u>(397,596)</u>	<u>40,483</u>	<u>(4,191,544)</u>
Total capital assets, net	<u>\$ 13,397,098</u>	<u>2,467,149</u>	<u>(1,542,849)</u>	<u>14,321,398</u>

Chino Basin Water Conservation District
Management's Discussion and Analysis, continued
For the Year Ended June 30, 2023

Capital Asset Administration, continued

At the end of fiscal year 2023, the District's investment in capital assets amounted to \$14,321,398 (net of accumulated depreciation and amortization). This investment in capital assets includes land, percolation facilities, buildings, equipment, vehicles, leased equipment, and construction-in-process. The capital assets of the District are more fully analyzed in Note 4 to the basic financial statements.

Conditions Affecting Current Financial Position

Management is unaware of any conditions that could have a significant impact on the District's current financial position, net position, or operating results based on past, present, and future events.

Requests for Information

The financial report is designed to provide the District's present users, including funding sources, customers, stakeholders, and other interested parties with a general overview of the District's finances and to demonstrate the District's accountability with an overview of the District's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact the District's General Manager, Elizabeth Willis, at Chino Basin Water Conservation District, 4594 San Bernardino Street, Montclair, California, 91763-2228 or (909) 626-2711.

Presentation Version
Subject to Board Approval

Basic Financial Statements

Presentation Version
Subject to Board Approval

Chino Basin Water Conservation District
Statement of Net Position
June 30, 2023
(With Comparative Amounts for June 30, 2022)

	<u>2023</u>	<u>2022</u>
Current assets:		
Cash and cash equivalents (note 2)	\$ 13,158,499	11,951,997
Cash and cash equivalents – restricted (note 2 and 8)	73,629	72,072
Accrued interest receivable	80,873	19,264
Accounts receivable	6,081	15,403
Property taxes receivable	78,880	77,237
Prepaid expenses (note 3)	50,250	48,802
Total current assets	<u>13,448,212</u>	<u>12,184,775</u>
Non-current assets:		
Capital assets, net (note 4)	14,321,398	13,397,098
Total non-current assets	<u>14,321,398</u>	<u>13,397,098</u>
Total assets	<u>27,769,610</u>	<u>25,581,873</u>
Deferred outflows of resources:		
Deferred pension outflows (note 7)	1,163,002	1,770,948
Total deferred outflows of resources	<u>\$ 1,163,002</u>	<u>1,770,948</u>

Continued on next page.

See accompanying notes to the basic financial statements.

Chino Basin Water Conservation District
Statement of Net Position, continued
June 30, 2023
(With Comparative Amounts for June 30, 2022)

	<u>2023</u>	<u>2022</u>
Current liabilities:		
Accounts payable and accrued expenses	\$ 45,128	53,371
Accrued wages	62,548	44,545
Customer deposit – rental property	1,400	1,400
Compensated absences (note 5)	67,774	56,461
Long term liability – due in less than one year:		
Lease payable (note 6)	6,895	3,979
Total current liabilities	<u>183,745</u>	<u>159,756</u>
Non-current liabilities:		
Long term liability – due in more than one year:		
Lease payable (note 6)	18,798	-
Net pension liability (note 7)	819,854	1,213,543
Total non-current liabilities	<u>838,652</u>	<u>1,213,543</u>
Total liabilities	<u>1,022,397</u>	<u>1,373,299</u>
Deferred inflows of resources:		
Deferred pension inflows (note 7)	1,034,252	1,059,359
Total deferred inflows of resources	<u>1,034,252</u>	<u>1,059,359</u>
Net position:		
Net investment in capital assets	14,295,705	13,393,119
Unrestricted (note 9)	12,580,258	11,527,044
Total net position	<u>\$ 26,875,963</u>	<u>24,920,163</u>

See accompanying notes to the basic financial statements.

Chino Basin Water Conservation District
Statement of Activities
For the Year Ended June 30, 2023
(With Comparative Amounts for June 30, 2022)

	<u>2023</u>	<u>2022</u>
Expenses:		
Water conservation:		
Salaries and benefits	\$ 1,879,277	2,603,487
Basin and garden maintenance	175,296	237,062
Public education	131,595	113,638
Materials and services	642,613	569,301
Depreciation and amortization	397,596	394,707
Total expenses	<u>3,226,377</u>	<u>3,918,195</u>
Program revenues:		
Charges for services:		
Landscape evaluation audits	6,512	30,449
Capital grants and contributions	625,350	-
Total program revenues	<u>631,862</u>	<u>30,449</u>
Net program expenses	<u>2,594,515</u>	<u>3,887,746</u>
General revenues (expense):		
Property taxes	4,300,168	3,821,347
Investment returns, net of fair value	257,144	(110,508)
Interest expense – lease	(384)	(228)
Loss on disposal on assets	(25,315)	(5,486)
Other	18,702	34,137
Total general revenues, net	<u>4,550,315</u>	<u>3,739,262</u>
Change in net position	1,955,800	(148,484)
Net position, beginning of period	<u>24,920,163</u>	<u>25,068,647</u>
Net position, end of period	<u>\$ 26,875,963</u>	<u>24,920,163</u>

See accompanying notes to the basic financial statements.

Chino Basin Water Conservation District
Reconciliation of the Balance Sheet of Governmental
Type Funds to the Statement of Net Position
June 30, 2023

	<u>General Fund</u>	<u>Reclassifications & Eliminations</u>	<u>Statement of Net Position</u>
Current assets:			
Cash and cash equivalents	\$ 13,158,499	-	13,158,499
Cash and cash equivalents – restricted	73,629	-	73,629
Accrued interest receivable	80,873	-	80,873
Accounts receivable	6,081	-	6,081
Property taxes receivable	78,880	-	78,880
Prepaid expenses	50,250	-	50,250
Total current assets	<u>13,448,212</u>	<u>-</u>	<u>13,448,212</u>
Non-current assets:			
Capital assets, net	-	14,321,398	14,321,398
Total non-current assets	<u>-</u>	<u>14,321,398</u>	<u>14,321,398</u>
Total assets	<u>13,448,212</u>	<u>14,321,398</u>	<u>27,769,610</u>
Deferred outflows of resources:			
Deferred pension outflows	-	1,163,002	1,163,002
Total deferred outflows of resources	<u>-</u>	<u>1,163,002</u>	<u>1,163,002</u>
Current liabilities:			
Accounts payable and accrued expenses	45,128	-	45,128
Accrued wages	62,548	-	62,548
Customer deposit – rental property	1,400	-	1,400
Lease payable	-	6,895	6,895
Compensated absences	-	67,774	67,774
Total current liabilities	<u>109,076</u>	<u>74,669</u>	<u>183,745</u>
Non-current liabilities:			
Long term liability – due in more than one year:			
Lease payable	-	18,798	18,798
Net pension liability	-	819,854	819,854
Total non-current liabilities	<u>-</u>	<u>838,652</u>	<u>838,652</u>
Total liabilities	<u>109,076</u>	<u>913,321</u>	<u>1,022,397</u>
Deferred inflows of resources:			
Deferred pension inflows	-	1,034,252	1,034,252
Total deferred inflows of resources	<u>-</u>	<u>1,034,252</u>	<u>1,034,252</u>
Fund balance (note 10):			
Non-spendable	50,250	(50,250)	-
Committed	-	-	-
Assigned	5,887,628	(5,887,628)	-
Unassigned	7,401,258	(7,401,258)	-
Total fund balance	<u>13,339,136</u>	<u>(13,339,136)</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 13,448,212</u>		
Net position:			
Net investment in capital assets		14,295,705	14,295,705
Unrestricted		12,580,258	12,580,258
Total net position		<u>26,875,963</u>	<u>26,875,963</u>

Continued on next page

See accompanying notes to the basic financial statements.

Chino Basin Water Conservation District
Reconciliation of the Balance Sheet of Governmental
Type Funds to the Statement of Net Position, continued
June 30, 2023

Reconciliation:

Fund balance of governmental funds	\$ 13,339,136
Amounts reported for governmental activities in the statement of net position are different because:	
Non-current assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental fund balance sheet. However, the statement of net position includes those non-current assets among the assets of the District as a whole.	
Capital assets, net	14,321,398
Deferred outflows of resources used in governmental activities are not current financial resources and, therefore, are not reported in the governmental fund balance sheet. However, the statement of net position includes those deferred outflows of resources.	
	1,163,002
Long-term liabilities applicable to the District are not due and payable in the current period and, accordingly, are not reported as fund liabilities. All liabilities both current and long-term, are reported in the statement of net position as follows:	
Compensated absences	(67,774)
Lease payable	(25,693)
Net pension liability	(819,854)
Deferred inflows of resources used in governmental activities are not current financial resources and, therefore, are not reported in the governmental fund balance sheet. However, the statement of net position includes those deferred inflows of resources.	
	<u>(1,034,252)</u>
Net position of governmental activities	\$ <u>26,875,963</u>

See accompanying notes to the basic financial statements.

Chino Basin Water Conservation District
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balance of Governmental Type Funds to the Statement of Activities
For the Year Ended June 30, 2023

	<u>General Fund</u>	<u>Reclassifications & Eliminations</u>	<u>Statement of Activities</u>
Expenditures/Expenses:			
Water conservation:			
Salaries and benefits	\$ 1,662,292	216,985	1,879,277
Basin and garden maintenance	175,296	-	175,296
Public education	131,595	-	131,595
Materials and services	642,613	-	642,613
Capital outlay	1,346,760	(1,346,760)	-
Depreciation and amortization	-	397,596	397,596
Debt service:			
Proceeds lease payable	(25,693)	25,693	-
Debt service – lease	(3,979)	3,979	-
Interest paid – lease	-	384	384
Total expenditures/expenses	<u>3,928,884</u>	<u>(702,123)</u>	<u>3,226,761</u>
Program revenues:			
Charges for services –			
Landscape evaluation audits	6,512	-	6,512
Capital grants and contributions	625,350	-	625,350
Total program revenues	<u>631,862</u>	<u>-</u>	<u>631,862</u>
Net program expense			<u>2,594,899</u>
General revenues:			
Property taxes	4,300,168	-	4,300,168
Investment expense, net of fair value	257,144	-	257,144
Loss on disposal of assets	(25,315)	-	(25,315)
Other	18,702	-	18,702
Total general revenues	<u>4,550,699</u>	<u>-</u>	<u>4,550,699</u>
Total revenues	<u>5,182,561</u>	<u>-</u>	
Excess of revenues over expenditures	1,253,677	(1,253,677)	-
Changes in net position	-	1,955,800	1,955,800
Fund balance/Net position – beginning of year	<u>12,085,459</u>	<u>-</u>	<u>24,920,163</u>
Fund balance/Net position – end of year	<u>\$ 13,339,136</u>	<u>-</u>	<u>26,875,963</u>

Continued on next page

See accompanying notes to the basic financial statements.

Chino Basin Water Conservation District
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balance of Governmental Type Funds to the Statement of Activities, continued
For the Year Ended June 30, 2023

Reconciliation:

Net change in fund balance of governmental fund	\$ 1,253,677
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.	
Capital outlay	1,346,760
Depreciation expense	(397,596)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenses in governmental funds as follows:	
Net change in compensated absences for the current period	(11,313)
Net change in leases payable for the current period	(30,056)
Net change in pension obligations for the current period	<u>(205,672)</u>
Changes in net position of governmental activities	<u>\$ 1,955,800</u>

Presentation Version
Subject to Board Approval

See accompanying notes to the basic financial statements.

Chino Basin Water Conservation District
Notes to the Basic Financial Statements
June 30, 2023

(1) Reporting Entity and Summary of Significant Accounting Policies

A. Organization and Operations of the Reporting Entity

The Chino Basin Water Conservation District (District) was established in 1949 to protect the Chino Groundwater Basin to ensure that current and future water needs will be met. The District's service area includes the cities of Chino, Chino Hills, Montclair, Ontario, Rancho Cucamonga and Upland. The District provides services to these cities in water conservation education, workforce development, research, concentrating on water-efficient landscaping and water conserving behavior at both the residential, commercial, and institutional levels. The District also owns and manages eight percolation basins to assist in recharging the Chino Groundwater Basin. Administration and operation of the District is guided by a duly elected and/or appointed seven-member Board of Directors.

B. Basis of Accounting and Measurement Focus

Government-wide Financial Statements

These statements are presented on an *economic resources* measurement focus and the accrual basis of accounting for both governmental and business-like activities. Accordingly, all of the District's assets (including capital assets), deferred outflows of resources, liabilities, and deferred inflows of resources are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used, such as, unbilled but utilized utility services are recorded at year end. The Statement of Activities demonstrates the degree to which the operating expenses of a given function are offset by operating revenues. Operating expenses are those that are clearly identifiable with a specific function. The types of transactions reported as operating revenues for the District are charges for services directly related to the operations of the District. Charges for services include revenues from customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by the District. Taxes and other items not properly included among operating revenues are reported instead as non-operating revenues. Contributed capital and capital grants are included as capital contributions.

Fund Financial Statements

These statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds. Accompanying these statements is a schedule to reconcile and explain the differences in fund balances as presented in these statements to the net position presented in the Government-wide Financial Statements.

Governmental funds are accounted for on a spending or *current financial resources* measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under modified accrual basis of accounting, revenues are recognized in the accounting period in which they become measurable and available to finance expenditures of the current period.

Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60-days after year-end) are recognized when due. The primary sources susceptible to accrual for the District are property tax, interest earnings, investment revenue and operating and capital grant revenues. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, exceptions to this rule include principal and interest on debt, which are recognized when due.

Chino Basin Water Conservation District
Notes to the Basic Financial Statements, continued
June 30, 2023

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

B. Basis of Accounting and Measurement Focus, continued

Fund Financial Statements, continued

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity with a self-balancing set of accounts established for the purpose of carrying out specific activities or attaining certain objectives in accordance with specific regulations, restrictions or limitations.

Funds are organized into a single major category: governmental. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operation fund of the District or meets the following criteria:

- a) Total assets, deferred outflows, liabilities, deferred inflows, revenues, or expenditures/expenses of that individual governmental is at least 10 percent of the corresponding total for all funds of that category or type; and
- b) Total assets, deferred outflows, liabilities, deferred inflows, revenues, or expenditures/expenses of the individual governmental fund is at least 5 percent of the corresponding total for all governmental and proprietary funds combined.
- c) The entity has determined that a fund is important to the financial statement user.

The funds of the financial reporting entity are described below:

Governmental Fund

General Fund – This fund is used to account for and report all financial resources not accounted for and reported in another Fund.

C. Financial Reporting

The District's basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The District has adopted the following GASB pronouncements in the current year:

Governmental Accounting Standards Board Statement No. 93

In March 2020, the GASB issued Statement No. 93 – *Replacement of Interbank Offered Rates*. The objective of this Statement is to address accounting and financial reporting implications that result from the replacement of an IBOR. This Statement achieves that objective by: (1) Providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment; (2) Clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate; (3) Clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable; (4) Removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap; (5) Identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap; (6) Clarifying the definition of reference rate, as it is used in Statement 53, as amended; and (7) Providing an exception to the lease modifications guidance in Statement 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend.

Chino Basin Water Conservation District
Notes to the Basic Financial Statements, continued
June 30, 2023

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

C. Financial Reporting, continued

Governmental Accounting Standards Board Statement No. 94

In March 2020, the GASB issued Statement No. 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

Governmental Accounting Standards Board Statement No. 94, continued

This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

Governmental Accounting Standards Board Statement No. 96

In May 2020, the GASB issued Statement No. 96 – *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

Chino Basin Water Conservation District
Notes to the Basic Financial Statements, continued
June 30, 2023

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

C. Financial Reporting, continued

Governmental Accounting Standards Board Statement No. 97

In June 2020, the GASB issued Statement No. 97 – *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 41 and No. 84, and a supersession of GASB Statement No. 32*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

The requirements of this Statement that (1) exempt primary governments that perform the duties that a governing board typically performs from treating the absence of a governing board the same as the appointment of a voting majority of a governing board in determining whether they are financially accountable for defined contribution pension plans, defined contribution OPEB plans, or other employee benefit plans and (2) limit the applicability of the financial burden criterion in paragraph 7 of Statement 84 to defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement 67 or paragraph 3 of Statement 74, respectively, are effective immediately. The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. For purposes of determining whether a primary government is financially accountable for a potential component unit, the requirements of this Statement that provide that for all other arrangements, the absence of a governing board be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform, are effective for reporting periods beginning after June 15, 2021. Earlier application of those requirements is encouraged and permitted by requirement as specified within this Statement. The Board considered the effective dates for the requirements of this Statement in light of the COVID-19 pandemic and in concert with Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance.

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position

1. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, and deferred inflows, and the disclosures of contingent assets, deferred outflows, liabilities, and deferred inflows at the date of the financial statements and the reported changes in District net position during the reporting period. Actual results could differ from those estimates.

2. Cash and Cash Equivalents

Substantially all of the District's cash is invested in interest bearing accounts. The District considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Chino Basin Water Conservation District
Notes to the Basic Financial Statements, continued
June 30, 2023

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position, continued

3. Investments and Investment Policy

The District has adopted an investment policy to deposit funds in financial institutions. Investments are to be made in the following areas:

- Securities of the U.S. Government or its agencies
- Certificates-of-deposit
- CalTRUST
- State of California Local Agency Investment Fund (LAIF)

Changes in fair value that occur during a fiscal year are recognized as unrealized gains or losses and reported for that fiscal year. Investment income comprises interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

4. Restricted Assets

Restricted assets are financial resources generated for a specific purpose such as capital projects, debt service, or on behalf of employee benefits (Section 115 Trust). These assets are for the benefit of a specified purpose and, as such, are legally or contractually restricted by an external third-party agreement.

5. Prepaids

Certain payments to vendors reflect costs or deposits applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

6. Capital Assets

Capital assets are recorded in the government-wide financial statements. Included in capital assets are land, buildings and improvements, equipment and furniture, vehicles, and construction-in-process. District policy has set the capitalization threshold for reporting capital assets at \$5,000. Donated assets are recorded at acquisition value at the date of donation. Capital outlay is recorded as expenditures of the General Fund and as assets in the government-wide financial statements to the extent the District's capitalization threshold is met. Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

- Buildings and building improvements – 10 to 75 years
- Demonstration garden – 12 to 30 years
- Equipment and furniture – 3 to 20 years
- Vehicles – 5 to 10 years

Equipment leases are amortized on a straight-line basis over the life of the lease.

7. Deferred Outflows of Resources

The statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of resources applicable to future periods and therefore will *not* be recognized as an outflow of resources (expenditure) until that time. The District has the following pension related items that qualify for reporting in this category:

- Deferred outflow which is equal to the employer contributions made after the measurement date of the net pension liability. This amount will be amortized-in-full against the net pension liability in the next fiscal year.

Chino Basin Water Conservation District
Notes to the Basic Financial Statements, continued
June 30, 2023

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position, continued

7. Deferred Outflows of Resources, continued

- Deferred outflow for the net differences between the actual and expected experience which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Plan.
- Deferred outflow for the net changes in assumptions which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Plan.
- Deferred outflow for the net difference in projected and actual earnings on investments of the pension plans fiduciary net position. This amount is amortized over a 5-year period.
- Deferred outflow for the net difference in actual and proportionate share of employer contribution and net changes in proportion which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Plan.

8. Compensated Absences

It is the District's policy to allow vacation pay between ten (10) and twenty (20) working days per year of employment. Vacation time may be accumulated from year to year. Employees are allowed to accumulate and carry forward a maximum of two hundred (200) hours. Sick leave is granted at a rate of ten days per calendar year and may be used for sickness, injury, or disability. Sick leave is accumulated beyond the year in which it is earned up to a maximum of one hundred seventy-six (176) hours.

9. Lease Payable

Lease payables are measured at the present value of payments expected to be received during the lease term.

10. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plans (Plans) and addition to/deduction from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS.

For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

- Valuation date: June 30, 2021
- Measurement date: June 30, 2022
- Measurement period: July 1, 2021 to June 30, 2022

Chino Basin Water Conservation District
Notes to the Basic Financial Statements, continued
June 30, 2023

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position, continued

11. Deferred Inflows of Resources

The statement of net position will sometimes report a separate section for deferred inflows of resources. This financial statement element, *deferred inflows of resources*, represents an acquisition of resources applicable to future periods and therefore will *not* be recognized as an inflow of resources (revenue) until that time. The District has the following pension related item that qualifies for reporting in this category:

- Deferred inflow for the net adjustment due to differences in the changes in proportions of the net pension liability which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Plan.

12. Net Position

The government-wide financial statements utilize a net position presentation. Net position is categorized as follows:

- **Net investment in capital assets** – consists of capital assets, net of accumulated depreciation and reduced by any outstanding debt (if applicable) against the acquisition, construction or improvement of those assets.
- **Restricted** – consists of constraints placed on net position use through external constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted** – consists of net position that does not meet the definition of *restricted* or *net investment in capital assets* components of net position.

13. Fund Balance

The financial statements for governmental funds report fund balance as non-spendable, restricted, committed, assigned or unassigned based primarily on the extent to which the District is bound to honor constraints on how specific amounts can be spent.

- **Non-spendable** – amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.
- **Restricted** – amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions enabling legislation.
- **Committed** – amounts that can only be used for specific purposes determined by formal action of the District's highest level of decision-making authority (the Board of Directors) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned** – amounts that are constrained by the District's intent to be used for specific purposes. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose. This is also the classification for residual funds in the District's special revenue funds.
- **Unassigned** – the residual classification for the District's general fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

Chino Basin Water Conservation District
Notes to the Basic Financial Statements, continued
June 30, 2023

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position, continued

13. Fund Balance, continued

The Board of Directors establishes, modifies, or rescinds fund balance commitments and assignments by passage of an ordinance or resolution. This is done through adoption of the budget and subsequent budget amendments that occur throughout the year.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, followed by the unrestricted, committed, assigned, and unassigned resources as they are needed.

Fund Balance Policy

The District believes that sound financial management principles require that sufficient funds be retained by the District to provide a stable financial base at all times. To retain this stable financial base, the District needs to maintain an unrestricted fund balance in its funds sufficient to fund cash flows of the District and to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature. Committed, assigned, and unassigned fund balances are considered unrestricted.

The purpose of the District's fund balance policy is to maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures.

14. Property Taxes

The County of San Bernardino Assessor's Office assesses all real and personal property within the County each year. The County of San Bernardino Tax Collector's Office bills and collects the District's share of property taxes and assessments. The County of San Bernardino Treasurer's Office remits current and delinquent property tax collections to the District throughout the year. Property tax in California is levied in accordance with Article 13A of the State Constitution at one percent (1%) of countywide assessed valuations.

Property tax revenue at year-end is related to property taxes collected by the County of San Bernardino, which have not been transferred to the District as of June 30 of each year.

(2) Cash and Cash Equivalents

Cash and cash equivalents as of June 30, are classified in the accompanying financial statements as follows:

	<u>2023</u>
Cash and cash equivalents	\$ 13,158,499
Cash and cash equivalents – restricted	<u>73,629</u>
Total cash and cash equivalents	<u>\$ 13,232,128</u>

Chino Basin Water Conservation District
Notes to the Basic Financial Statements, continued
June 30, 2023

(2) Cash and Cash Equivalents, continued

Cash and cash equivalents as of June 30 consist of the following:

	<u>2023</u>
Cash on hand	\$ 1,001
Deposits held with financial institutions	142,396
Deposits held with Cal Trust	2,397,184
Deposits held with California Local Agency Investment Fund (LAIF)	10,617,918
Deposits held with California Employer's Pension Prefunding Trust (CEPPT)	<u>73,629</u>
Total cash and cash equivalents	<u>\$ 13,232,128</u>

As of June 30, the District's authorized deposits had the following maturities:

	<u>2023</u>
Deposits held with Cal Trust – Short Term Fund	321 days
Deposits held with California Local Agency Investment Fund (LAIF)	260 days

Authorized Deposits and Investments

Under provisions of the District's investment policy, and in accordance with Section 53601 of the California Government Code, the District may invest in certain types of investments as listed in Note 1(D)(3) to the financial statements.

Investment in the California State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Amounts held with LAIF are highly liquid, as deposits can be converted to cash within a twenty-four hour period without loss of accrued interest. Credit and market risk is unknown. LAIF detail may be obtained from the State of California Treasurer's website at www.treasurer.ca.gov/pmia-laif/index.asp.

LAIF is an unrated, external investment pool. The pool portfolio is invested in a manner that meets the maturity, quality, diversification, and liquidity requirements set forth by GASB 79 for external investments pools that elect to measure, for financial reporting purposes, investments at amortized cost. LAIF does not have any legally binding guarantees of share values. LAIF does not impose liquidity fees or redemption gates on participant withdrawals.

Investment in CalTrust

CalTRUST Short-Term account invests in fixed income securities eligible for investment pursuant to California Government Code Sections 53601 and 53635, and leveraging within the Trust's portfolio is prohibited. The Board of Trustees may adopt investment guidelines to further restrict the type of investments held by the accounts. CalTRUST Short-Term account consists of funds from all participants which are pooled in each of the accounts. The District receives units in the Trust and designated shares for its investment accounts.

Chino Basin Water Conservation District
Notes to the Basic Financial Statements, continued
June 30, 2023

(2) Cash and Cash Equivalents, continued

Custodial Credit Risk

The custodial credit risk for *deposits* is the risk that in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party.

The custodial credit risk for *investments* is the risk that, in the event of failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Code and the District's investment policy contain legal and policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

The California Government Code and the District's investment policy does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by public agencies. Of the bank balance, up to \$250,000 is federally insured. The remaining balance is to be collateralized by the bank.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The longer the maturity an investment has the greater its fair value has sensitivity to changes in market interest rates. The District's investment policy follows the California Government Code as it relates to limits on investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization; however, LAIF and CalTrust are not rated.

Concentration of Credit Risk

The District's investment policy contains no limitations on the amounts that can be invested in any one issuer beyond that stipulated by the California Government Code. As of June 30, 2023, there were no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and/or external investment pools) that represents 5% or more of total District investments.

(3) Prepaid Expenses

At June 30, 2023, prepaid expenses amounted to \$50,250. Of the balance, \$34,745 is related to insurance premiums, \$11,043 is related to annual dues, and \$4,462 is related to other prepaid items.

Chino Basin Water Conservation District
Notes to the Basic Financial Statements, continued
June 30, 2023

(4) Capital Assets

The change in capital assets for 2023 was as follows:

	<u>Balance 2022</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>Balance 2023</u>
Non-depreciable assets:				
Land	\$ 5,986,121	-	-	5,986,121
Construction-in-process	325,410	1,209,283	(1,517,985)	16,708
Total non-depreciable assets	<u>6,311,531</u>	<u>1,209,283</u>	<u>(1,517,985)</u>	<u>6,002,829</u>
Depreciable and amortizable assets:				
Buildings and improvements	9,043,586	1,517,986	-	10,561,572
Demonstration garden	1,546,394	-	-	1,546,394
Equipment and furniture	111,025	92,373	(45,155)	158,243
Vehicles	198,801	15,967	-	214,768
Leased equipment	20,192	29,136	(20,192)	29,136
Total depreciable and amortizable assets	<u>10,919,998</u>	<u>1,655,462</u>	<u>(65,347)</u>	<u>12,510,113</u>
Accumulated depreciation and amortization:				
Buildings and improvements	(2,530,080)	(237,244)	-	(2,767,324)
Demonstration garden	(1,112,776)	(128,481)	-	(1,241,257)
Office equipment and furniture	(65,664)	(7,173)	20,291	(52,546)
Vehicles	(109,645)	(17,737)	-	(127,382)
Leased equipment	(16,266)	(6,961)	20,192	(3,035)
Total accumulated depreciation and amortization	<u>(3,834,431)</u>	<u>(397,596)</u>	<u>40,483</u>	<u>(4,191,544)</u>
Total depreciable and amortizable assets, net	<u>7,085,567</u>	<u>1,257,866</u>	<u>(24,864)</u>	<u>8,318,569</u>
Total capital assets, net	<u>\$ 13,397,098</u>			<u>14,321,398</u>

Major depreciable asset additions during fiscal year 2023 included \$1,517,986 to buildings and improvements, \$92,373 to equipment and furniture, \$15,967 to vehicles, and \$29,136 to leased equipment. Major depreciable asset deletions included \$45,155 in equipment and furniture and \$20,192 in leased equipment.

(5) Compensated Absences

Compensated absences comprise unpaid vacation leave, sick leave, and compensating time off which is accrued as earned. The District's liability for compensated absences is determined annually.

The change in compensated absences for the year ended June 30 was as follows:

	<u>Balance 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 2023</u>
\$	<u>56,461</u>	<u>69,840</u>	<u>(58,527)</u>	<u>67,774</u>

Chino Basin Water Conservation District
Notes to the Basic Financial Statements, continued
June 30, 2023

(6) Lease Payable

Changes in long-term debt for the year ended June 30, 2023 are as follows:

	Balance 2022	Additions	Payments	Balance 2023
Lease payable:				
Equipment lease	\$ 3,979	25,693	(3,979)	25,693
Total lease payable	3,979	25,693	(3,979)	25,693
Less: current portion due	(3,979)			(6,895)
Long-term portion due	\$ -			18,798

Equipment Lease Payable

On January 26, 2023, the District entered into an agreement with Advanced Office Solutions (Advanced), to lease copier equipment for use in the District's administrative office. Terms of the agreement commenced on February 15, 2023, for a period of 48 months, with rent due monthly at \$630.94 per month for the entire lease term.

Following the guidelines set forth by *GASB Statement No. 87*, the District has recorded a right-to-use asset and a lease payable at present value with an implicit rate of 3.00%. The right-to-use asset is amortized on a straight-line basis over the term of the lease.

Annual lease payments are as follows:

Year	Principal	Interest	Total
2024	\$ 6,895	676	7,571
2025	7,104	467	7,571
2026	7,320	251	7,571
2027	4,374	44	4,418
Total	25,693	1,438	27,131
Less: current	(6,895)		
Long-term	\$ 18,798		

(7) Defined Benefit Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Pension Plan (Plan or PERF C) administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of a miscellaneous risk pool and a safety risk pool, which are comprised of individual employer miscellaneous and safety plans, respectively. Benefit provisions under the Plan are established by State statute and the District's resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions, and membership information that can be found on CalPERS website or may be obtained from their executive office at 400 P Street, Sacramento, California 95814.

Chino Basin Water Conservation District
Notes to the Basic Financial Statements, continued
June 30, 2023

(7) Defined Benefit Pension Plans, continued

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: The Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. Cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

On September 12, 2012, the California Governor signed the California Public Employees' Pension Reform Act of 2013 (PEPRA) into law. PEPRA took effect January 1, 2013. The new legislation closed the District's CalPERS 2.0% at 60 Risk Pool Retirement Plan to new employee entrants, not previously employed by an agency under CalPERS, effective December 31, 2012. All employees hired after January 1, 2013, are eligible for the District's CalPERS 2.0% at 62 Retirement Plan under PEPRA.

The District participates in the Plan's miscellaneous risk pool. The provisions and benefits for the Plan's miscellaneous pool in effect as of June 30, 2023, are summarized as follows:

	Miscellaneous Plan	
	Tier 1	Tier 2
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2.0% @ 60	2.0% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 60	52 - 62
Monthly benefits, as a % of eligible compensation	1.5% to 2.4%	1.0% to 2.5%
Required employee contribution rates	6.93%	6.75%
Required employer contribution rates	9.12%	7.47%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that employer contribution rates for all public employers be determined on an annual basis by an actuary and shall be effective on July 1, following notice of a change in rate. Funding contribution for the Plan is determined annually on an actuarial basis as of June 30, by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

As of the fiscal year ended June 30, 2023, the contributions for the District were as follows:

	2023
Contributions – employer	\$ 132,647
Contributions – employee (paid by employer)	11,368
Total employer paid contributions	<u>\$ 144,015</u>

Chino Basin Water Conservation District
Notes to the Basic Financial Statements, continued
June 30, 2023

(7) Defined Benefit Pension Plans, continued

At June 30, 2023, employer required and supplemental contributions by the District for the Plan of \$132,647 are reported in deferred pension outflows as part of current year recognition of GASB 68. At June 30, 2023, employee contributions paid by the District of \$11,368 were expensed as these costs provide a benefit to the employee, but do not affect the District's share of net pension liability.

Net Pension Liability

As of the fiscal year ended June 30, 2023, the District reported net pension liability for its proportionate share of the net pension liability of the Plan as follows:

	<u>2023</u>
Proportionate share of net pension liability	\$ <u>819,854</u>

The District's net pension liability for the Plan is measured as the proportionate share of the net pension liability for the miscellaneous risk pool. As of June 30, 2023, the net pension liability of the Plan is measured as of June 30, 2022 (the measurement date). The total pension liability for the Plan's miscellaneous risk pool used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 (the valuation date) rolled forward to June 30, 2022, using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

The District's changes in the proportionate share of the net pension liability for the Plan's miscellaneous risk pool as of the measurement date June 30, 2022, was as follows:

<u>Proportion at Measurement Date</u>	<u>Proportionate Share</u>
Proportion – June 30, 2022	0.02244%
Proportion – June 30, 2023	<u>0.00710%</u>
Change – Increase (Decrease)	<u>-0.01534%</u>

Chino Basin Water Conservation District
Notes to the Basic Financial Statements, continued
June 30, 2023

(7) Defined Benefit Pension Plans, continued

Deferred Pension Outflows(Inflows) of Resources

For the year ended June 30, 2023, the District recognized pension expense of \$321,797. As of the fiscal year ended June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to the measurement date	\$ 132,647	-
Net difference between actual and expected experience	5,437	-
Net changes in assumptions	84,010	-
Net difference between projected and actual earnings on plan investments	150,174	-
Net difference between actual contribution and proportionate share of contribution	790,734	-
Net adjustment due to differences in proportions of net pension liability	-	(1,034,252)
Total	<u>\$ 1,163,002</u>	<u>(1,034,252)</u>

For the year ended June 30, 2023, the District's deferred outflows of resources related to contributions subsequent to the measurement date totaled \$132,647. Pension contributions subsequent to the measurement date for the year ended June 30, 2023, will be recognized as a reduction of the net pension liability for the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Fiscal Year Ending June 30:</u>	<u>Deferred Outflows/ (Inflows) of Resources</u>
2024	\$ 50,117
2025	(149,403)
2026	(141,248)
2027	236,637

Chino Basin Water Conservation District
Notes to the Basic Financial Statements, continued
June 30, 2023

(7) Defined Benefit Pension Plans, continued

Actuarial Assumptions

The total pension liabilities in the June 30, 2021, actuarial valuations were determined using the following actuarial assumptions and methods:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial cost method	Entry Age Normal in accordance with the requirements of GASB Statement No. 68
Actuarial assumptions:	
Discount rate	6.90%
Inflation	2.30%
Salary increases	Varies by Entry Age and Service
Investment Rate of Return	6.90 % Net of Pension Plan Investment and Administrative Expenses; includes inflation
Mortality Rate Table*	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit	Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.30% thereafter

* The mortality table was developed based on CalPERS specific data. The table includes 15 years of mortality improvement using the Society of Actuaries 90 percent of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) available online on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability as of June 30, 2022 for the PERF C was 6.90%. This discount rate is not adjusted for administrative expenses.

The PERF C fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return for those pension plans' investments were applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical and forecasted information for all funds' asset classes, expected compound (geometric) returns were calculated over the short term (first 10 years) and the long term (11+ years) using a building-block approach. Using the expected nominal returns for both short term and long term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

Chino Basin Water Conservation District
Notes to the Basic Financial Statements, continued
June 30, 2023

(7) Defined Benefit Pension Plans, continued

The table below reflects long-term expected real rates of return by asset class. The rates of return were calculated using the capital market assumptions applied to determine the discount rate.

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1–10*</u>
Global Equity - cap-weighted	30.0%	4.45%
Global Equity - non-cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgaged-backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	-5.0%	-0.59%
Total	100%	

Sensitivity of the Proportionate Share of Net Pension Liability to Changes in the Discount Rate

The following table presents the District's proportionate share of the net pension liability for the Plan, calculated using the discount rate, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage point lower and one-percentage point higher than the current rate.

As of June 30, 2023, the District's net pension liability at the current discount rate, using a discount rate that is one-percentage point lower, and using a discount rate that is one-percentage point higher are as follows:

	<u>Discount - 1% (5.90%)</u>	<u>Current Discount Rate (6.90%)</u>	<u>Discount + 1% (7.90%)</u>
District's net pension liability	\$ 1,405,533	819,854	337,986

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in separately issued CalPERS financial reports. See pages 39 and 40 for the Required Supplementary Information.

(8) Section 115 Trust

In fiscal year 2021-22, the District's Board approved the creation of a Section 115 Trust Agreement with the CalPERS California Employer's Pension Prefunding Trust (CEPPT), Trustee and Trust Administrator. The Section 115 Trust was established as a means to set aside monies to fund the District's pension plan obligation. Contributions to the Section 115 Trust are irrevocable, the assets are dedicated to providing benefits to plan members, and the assets are protected from creditors of the District. The purpose of the creation of the Section 115 Trust was to address the District's pension obligations by accumulating assets to reduce the net pension liability. However, in accordance with generally accepted accounting principles, the assets in the Section 115 Trust are not considered to have present service capacity as plan assets and are therefore considered restricted assets of the District rather than pension plan assets.

Chino Basin Water Conservation District
Notes to the Basic Financial Statements, continued
June 30, 2023

(8) Section 115 Trust, continued

Accordingly, the Section 115 Trust's assets are recorded as restricted for pension benefits in the District's fund net position rather than assets of the pension plan during the measurement date of the net pension liability. The assets held in trust will be considered pension plan assets at the time they are transferred out of the Trust into the pension plan. On June 30, 2023, the Trust account balance on amounted to \$73,629.

(9) Unrestricted Net Position

Unrestricted net position is comprised of the following:

	<u>2023</u>
Non-spendable net position:	
Prepaid expenses	\$ 50,250
Total non-spendable net position	<u>50,250</u>
Spendable net position:	
Major structural failures	2,350,000
Operating reserve	<u>10,180,008</u>
Total spendable net position – designated	<u>12,530,008</u>
Total unrestricted net position	<u>\$ 12,580,258</u>

(10) Fund Balance

Fund balance is presented in the following categories: non-spendable, restricted, committed, assigned, and unassigned. A detailed schedule of fund balance and their funding composition at June 30, 2023, is as follows:

<u>Description</u>	<u>2023</u>
Non-spendable:	
Prepaid expenses	\$ 50,250
Total non-spendable	<u>50,250</u>
Assigned:	
Recharge improvements	2,350,000
Major structural failure reserve	2,350,000
Facilities	300,000
Compensated absences	67,774
Net pension liability	<u>819,854</u>
Total assigned	<u>5,887,628</u>
Unassigned	<u>7,401,258</u>
Total fund balance	<u>\$ 13,339,136</u>

Chino Basin Water Conservation District
Notes to the Basic Financial Statements, continued
June 30, 2023

(11) Risk Management

Joint Powers Insurance Authority

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The District is a member of the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA), an intergovernmental risk sharing joint powers authority created to provide self-insurance programs for California water agencies. The purpose of the ACWA/JPIA is to arrange and administer programs of self-insured losses and to purchase excess insurance coverage.

As of June 30, 2023, the District participated in the ACWA/JPIA pooled programs for liability, property, and workers' compensation programs as follows:

- General and auto liability, public officials and employees' errors and omissions: The ACWA/JPIAs total risk financing self-insurance limits of \$5,000,000 per occurrence. The ACWA/JPIA purchased additional excess coverage layers: \$55 million for general, auto, and public officials' liability, which increases the limits on the insurance coverage noted above.
- Crime coverage up to \$100,000 per loss includes public employee dishonesty, depositor's forgery or alteration, theft, and computer and funds transfer fraud coverage, subject to \$1,000 deductible per loss.
- Property loss is paid at the replacement cost for property on file, if replaced within two years after the loss; otherwise, paid on an actual cash value basis, to a combined total of \$500 million per loss, subject to a \$1,000 deductible per loss. Mobile equipment and vehicles on file are paid on replacement cost value basis at time of loss and subject to a \$1,000 deductible per loss for mobile equipment and a \$500 deductible per loss for vehicles.
- Boiler and machinery coverage for the replacement cost up to \$100 million per occurrence, subject to various deductibles depending on the type of equipment on file.
- Workers' compensation coverage up to California statutory limits for all work-related injuries/illnesses covered by California law; a pooled self-insured limit of \$2,000,000. ACWA/JPIA purchased excess coverage for an additional \$2,000,000 limit.
- Cyber Liability: Including Cyber Security up to \$5,000,000 aggregate limit. Cyber liability deductible varies from \$10,000 to \$75,000 depending on District total insured values.

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years and there were no reductions in the District's insurance coverage during the years ending June 30, 2023, 2022, and 2021. Liabilities are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR). There were no IBNR claims payable as of June 30, 2023, 2022, and 2021, respectively.

The District is a participating member of the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA). ACWA/JPIA is a self-insured association of independent water agencies. Association members have pooled funds to be self-insured for liabilities up to \$1,000,000 per occurrence. The ACWA/JPIA also purchases excess insurance to cover each member for liabilities to \$59 million per occurrence. The accounts and records of ACWA/JPIA are audited by an independent certified public accounting firm and can be obtained at ACWA/JPIA's main office located at 5620 Birdcage St., #200, Citrus Heights, CA 95610.

Chino Basin Water Conservation District
Notes to the Basic Financial Statements, continued
June 30, 2023

(12) Governmental Accounting Standards Board Statements Issued, Not Yet Effective

The Governmental Accounting Standards Board (GASB) has issued several pronouncements prior to June 30, 2023, that has effective dates that may impact future financial presentations.

Governmental Accounting Standards Board Statement No. 99

In April 2022, the GASB issued Statement No. 99 – *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. Consistent authoritative literature enables governments and other stakeholders to locate and apply the correct accounting and financial reporting provisions, which improves the consistency with which such provisions are applied. The comparability of financial statements also will improve as a result of this Statement. Better consistency and comparability improve the usefulness of information for users of state and local government financial statements.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Governmental Accounting Standards Board Statement No. 100

In June 2022, the GASB issued Statement No. 100 – *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

The requirements of this Statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections.

The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Chino Basin Water Conservation District
Notes to the Basic Financial Statements, continued
June 30, 2023

(12) Governmental Accounting Standards Board Statements Issued, Not Yet Effective, continued

Governmental Accounting Standards Board Statement No. 101

In June 2022, the GASB issued Statement No. 101 – *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

(13) Contingencies

Grant Awards

Grant funds received by the District are subject to audit by grantor agencies. Such audit could lead to requests for reimbursements to grantor agencies for expenditures disallowed under terms of the grant. Management of the District believes that such disallowances, if any, would not be significant.

Litigation

In the ordinary course of operations, the District is subject to claims and litigation from outside parties. After consultation with legal counsel, the District believes there are no other matters which will materially affect its financial condition.

(14) Subsequent Events

Events occurring after June 30, 2023, have been evaluated for possible adjustment to the financial statements or disclosure as of January 8, 2024, which is the date the financial statements were available to be issued. The District is not aware of any further subsequent events that would require recognition or disclosure in the financial statements.

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Presentation Version
Subject to Board Approval

Required Supplementary Information

Presentation Version
Subject to Board Approval

Chino Basin Water Conservation District
Budgetary Comparison Schedule – General Fund
For the Year Ended June 30, 2023

	Adopted Original Budget	Board Approved Changes	Revised Budget	Actual Budgetary Basis	Variance Positive (Negative)
Expenditures/Expenses:					
Water conservation:					
Salaries and benefits	\$ 2,248,600	(280,150)	1,968,450	1,662,292	306,158
Basin and garden maintenance	406,800	(81,000)	325,800	175,296	150,504
Public education	185,600	(2,800)	182,800	131,595	51,205
Materials and services	743,400	80,100	823,500	642,613	180,887
Capital outlay	1,495,100	-	1,495,100	1,346,760	148,340
Total expenditures/expenses	5,079,500	(283,850)	4,795,650	3,954,577	841,073
Program revenues:					
Charges for services:					
Landscape evaluation audits	35,500	-	35,500	6,512	(28,988)
Capital grants and contributions	620,850	-	620,850	625,350	4,500
Total program revenues	656,350	-	656,350	631,862	(24,488)
General revenues (expense):					
Property taxes	3,911,700	-	3,911,700	4,300,168	388,468
Investment returns, net of fair value	35,600	85,000	120,600	257,144	136,544
Interest expense – lease	-	-	-	(384)	(384)
Loss on disposal on assets	-	-	-	(25,315)	(25,315)
Other	-	-	-	18,702	18,702
Total general revenues, net	3,947,300	85,000	4,032,300	4,550,315	518,015
Total revenues	4,603,650	85,000	4,688,650	5,182,177	493,527
Excess of revenues over expenditures	(475,850)	368,850	(107,000)	1,227,600	1,334,600
Fund balance – beginning of period	12,085,459		12,085,459	12,085,459	
Fund balance – end of period	\$ 11,609,609		11,978,459	13,313,059	

Notes to Required Supplementary Information

(1) Budgets and Budgetary Data

The District follows specific procedures in establishing the budgetary data reflected in the financial statements. The District's General Manager prepares and submits an operating budget to the Board of Directors for the General Fund no later than June of each year. The basis used to prepare the budget does not differ substantially from the modified accrual basis of accounting. The adopted budget becomes operative on July 1. The Board of Directors must approve all supplemental appropriations to the budget and transfers between major accounts. The District's annual budget is adopted for the General Fund at the detailed expenditure-type level.

The District presents a comparison of the annual budget to actual results for the General Fund at the functional expenditure-type major object level for financial reporting purposes. The budgeted expenditure amounts represent the adopted budget adjusted for Board approved supplemental appropriations. The budgeted revenue amounts represent the adopted budget as originally approved. There were no Board approved supplemental appropriations of revenues over expenditures during the year ended June 30, 2023.

Chino Basin Water Conservation District
Schedules of the District's Proportionate Share of the Net Pension Liability
For the Year Ended June 30, 2023
Last Ten Years*

Description	Measurement Dates								
	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability	0.00710%	0.02244%	0.01353%	0.00495%	0.00454%	0.00455%	0.00419%	0.00351%	0.00458%
District's proportionate share of the net pension liability	\$ 819,854	1,213,543	1,472,056	507,258	437,892	451,196	362,322	240,899	285,096
District's covered payroll	\$ 1,078,851	982,898	1,017,962	1,175,443	987,036	909,855	675,399	686,873	530,082
District's proportionate share of the net pension liability as a percentage of its covered payroll	75.99%	123.47%	144.61%	43.15%	44.36%	49.59%	53.65%	35.07%	53.78%
District's fiduciary net position as a percentage of the District's total pension liability	69.68%	61.33%	60.60%	81.76%	83.07%	80.67%	81.33%	86.37%	83.03%

Notes to schedule:

There were no changes in benefits.

Changes in assumptions:

From fiscal year June 30, 2015 to June 30, 2016:

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses.

The discount rate of 7.65% used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

From fiscal year June 30, 2016 to June 30, 2017:

There were no changes in assumptions.

From fiscal year June 30, 2017 to June 30, 2018:

The discount rate was reduced from 7.65% to 7.15%

From fiscal year June 30, 2018 to June 30, 2019:

The inflation rate was reduced from 2.75% to 2.50%

From fiscal year June 30, 2019 to June 30, 2020:

There were no changes in assumptions.

From fiscal year June 30, 2020 to June 30, 2021:

There were no changes in assumptions.

From fiscal year June 30, 2021 to June 30, 2022:

There were no changes in assumptions.

From fiscal year June 30, 2022 to June 30, 2023:

The discount rate was reduced from 7.15% to 6.90%

The inflation rate was reduced from 2.50% to 2.30%

* The District has presented information for those years for which information is available until a full 10-year trend is compiled.

Chino Basin Water Conservation District
Schedules of Pension Plan Contributions
As of June 30, 2023
Last Ten Years*

Schedule of Pension Plan Contributions	Fiscal Years Ended								
	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Actuarially determined contribution	\$ 226,066	204,425	119,595	114,040	95,794	67,099	64,240	47,983	49,440
Contributions in relation to the actuarially determined contribution	(226,066)	(1,255,746)	(119,595)	(114,040)	(95,794)	(67,099)	(64,240)	(47,983)	(49,440)
Contribution deficiency (excess)	\$ -	(1,051,321)	-	-	-	-	-	-	-
Covered payroll	\$ 1,078,851	982,898	1,175,443	987,036	909,855	675,399	686,873	530,082	530,082
Contribution's as a percentage of covered payroll	20.95%	127.76%	10.17%	11.55%	10.53%	9.93%	9.35%	9.05%	9.33%
Notes to schedule									
Valuation dates	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Methods and assumptions used to determine contribution rates:									
Actuarial cost method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization method	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Asset valuation method	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	15 year Smoothed Market Method
Inflation	2.30%	2.50%	2.63%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increases	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Investment rate of return	6.90% (3)	7.15% (3)	7.15% (3)	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Retirement age	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)

(1) Level of percentage payroll, closed.

(2) Depending on age, service, and type of employment.

(3) Net of pension plan investment expense, including inflation.

(4) 50 for all plans with exception of 52 for Miscellaneous 2% @62.

(5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

* The District has presented information for those years for which information is available until a full 10-year trend is compiled.

Report on Internal Controls and Compliance

Presentation Version
Subject to Board Approval

**Independent Auditor's Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

The Honorable Board of Directors of the
Chino Basin Water Conservation District
Montclair, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Chino Basin Water Conservation District (District), as of and for the year June 30, 2023, and the related notes to the financial statements, which collectively comprises the District's basic financial statements, and have issued our report thereon dated January 8, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Independent Auditor's Report on Internal Controls Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*, continued**

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

C.J. Brown & Company, CPAs
Cypress, California
January 8, 2024

Presentation Version
Subject to Board Approval